2024 ANNUAL REPORT

DISCLAIMER

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cementirholding

GRUPPO CALTAGIRONE

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DIRECTORS' REPORT

General Information

Introduction

This Directors' Report refers to the company and consolidated financial statements of the Cementir Group as at 31 December 2024. These statements have been prepared in accordance with the IFRS Accounting Standards (IFRS) as adopted by the EU, and with Part 9 of Book 2 of the Dutch Civil Code.

The Directors' Report also includes the Sustainability Statement prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation).

This report should be read in conjunction with the company and consolidated financial statements for 2024 and has been prepared on a going concern basis. The Group has sufficient reserves to meet its obligations and will be able to operate for a period of at least twelve months from the date of preparation of the financial statements. The assessment carried out by the Board of Directors took into account the Group's main activities and risks, together with factors that may affect the Group's future performance, such as climate change and environmental requirements, financial position, expected cash flows, liquidity position and financing facilities. On the basis of the above, the Directors have reasonable expectations that the Group will continue to operate as a going concern.

Group profile

Cementir Holding N.V. is a multinational company with its registered office in the Netherlands, listed on the Euronext Star Milan segment. The company operates in the building materials sector and focuses on four main business lines: grey cement, white cement, ready-mixed concrete and aggregates.

Cementir is the world leader in the niche segment of white cement. The company is the largest producer of cement in Denmark and ready-mixed concrete in the Scandinavian area, the third largest cement producer in Belgium, and one of the main international operators in Türkiye, with two companies listed on the Istanbul Stock Exchange. In Belgium, the Group operates one of the largest aggregate quarries in Europe, and in Türkiye it processes industrial waste to produce fuel for its cement plants.

Cementir pursues a sustainable growth strategy, focusing on product leadership, the pursuit of excellence and the efficiency of operating processes. In the last two years, the Group has received notable ESG awards, including the validation of its 2030 decarbonisation targets by the Science Based Target initiative (SBTi) and boasts an A rating for Climate Change and A- for Water Security by CDP.

The Group achieved an investment grade rating of "BBB-" with a stable outlook from Standard & Poor's.

Since 1992, Cementir has been part of the Caltagirone Group, one of the leading private industrial concerns in Italy, with activities in residential construction, infrastructure, publishing, real estate and finance.

OUR CORE BUSINESSES

- **Grey cement:** the most commonly used building material worldwide
- **White cement:** specialty cement recognized for its aesthetic qualities, used in architectural and decorative projects
- **Ready-mixed concrete:** the most versatile construction material offering durability and efficiency
- **Aggregates:** essential components of concrete, asphalt and other construction materials

Key 2024 highlights

CEMENT PLANTS **11**	CEMENT PRODUCTION CAPACITY **13.1** Million t	READY-MIXED CONCRETE PLANTS **100**	QUARRIES **38**
REVENUE **1,687** Million/€	EBITDA **407** Million/€	EMPLOYEES **3,082**	CREDIT RATING S&P **BBB-** Stable Outlook
LTIFR **3.0** Employees	Scope 1 CO_2 EMISSIONS **632** Grey cement Kg CO2/ton cement	CDP 2024 **A** for Climate Change **A-** for Water Security	SBTi **Target validated** Aligned with 1.5 C°

Purpose, vision, mission and values

Our purpose is to build with ambition a sustainable future for generations to come

Cementir introduced its **purpose statement,** clearly defining its reason for being and its commitment to a sustainable future for the construction industry. The Company also updated the vision and values to better reflect its dedication to sustainable growth and creating long-term value for all stakeholders. These updates are not a change in direction, but a formal reinforcement of its longstanding commitment to responsible business practices, and the message that Cementir is not only focused on its business success but also on making a positive impact on the world.

Vision

Our vision is to be a driving force in shaping a sustainable future for the building industry, delivering tangible value through innovation and agility.

This vision emphasizes:

- Leadership and Impact: we strive to be a leader in the construction industry, actively shaping the transition toward a more sustainable future.
- Focus on Sustainability: we are strongly committed to environmental responsibility, promoting innovative sustainable products and solutions.
- Tangible Results: delivering measurable and practical outcomes aligned with our "Concretely Dynamic" motto, achieving progress through innovative concrete solutions.
- Innovation and Agility: we pursue cutting-edge technologies, responding promptly to evolving market demands and taking advantage of growth opportunities.

Mission

Our Mission is to generate value for our stakeholders through a sustainable growth path, achieved by focusing on product leadership, the pursuit of excellence and operating efficiency.

We want to contribute to the development of essential infrastructure and to a more sustainable building industry, minimizing our environmental footprint, promoting circular economy principles, and actively working towards a carbon-neutral future.

Our mission is rooted in Cementir core values: sustainability, dynamism, quality, value of people, and diversity and inclusion. These values continue to guide our strategic priorities, reinforcing our commitment to delivering high-performance solutions and contributing to a positive impact on the construction sector.

Concretely Dynamic

Our motto "Concretely Dynamic" embodies our dedication to delivering tangible results and our commitment to innovation and adaptability.

Values

SUSTAINABILITY

We are committed to environmentally responsible practices and strive to minimize our impact on the planet.

DYNAMISM

We embrace change and are constantly seeking ways to improve and innovate.

QUALITY

We are dedicated to providing high-quality products and services that meet the highest industry standards.

VALUE OF PEOPLE

We believe that our people are our greatest asset. We are dedicated to respecting human rights, promoting equal opportunities, and fostering their health, safety, well-being, development, and growth.

DIVERSITY AND INCLUSION

We value and celebrate the unique perspectives and contributions of all our stakeholder (employees, customers, local communities, unions, etc.).

Group strategy

Cementir strategy is built upon five pillars defined in the Group Industrial Plan: Sustainability, Enhancement of people, Innovation, Competitiveness Improvement, Growth and Positioning.

1) Sustainability

Cementir commitment is to constantly reduce its carbon footprint and achieve net zero emissions by 2050. This decarbonization path, articulated in a detailed Roadmap, sets sustainability objectives consistent with those of the United Nations and reflected in management incentive schemes. The main actions are the following:

- **Clinker reduction**: Cementir aims to progressively replace clinker with alternative materials such as fly ash, slag and calcinated clay, leading to the development of low-carbon cements like FUTURECEM® and D-Carb®.
- **Alternative fuels and Energy**: the Group is continuously increasing both the use of alternative fuels, such as biomass and gas, and the proportion of alternative energy sources, including renewables through long-term Power Purchase Agreements (PPAs).
- **Recycling and Reuse**: Cementir promotes the recycling and reuse of materials as part of its circular economy approach, such as concrete recycling as a substitute for natural aggregates and water usage optimization in the production process.
- **Thermal efficiency optimization:** the Group is constantly optimizing thermal efficiency, in order to reduce energy consumption and carbon emissions.
- **Transport and Logistics**: Cementir is implementing initiatives to reduce the climate impact of transport, procurement and logistics, including e-procurement, electric ready-mix trucks and fuel-efficient vessels.
- **Adoption of breakthrough technologies such as Carbon capture and storage (CCS):** the ACCSION project, based in Aalborg, Denmark, will be Cementir first carbon capture initiative and one of the first and largest full onshore carbon capture and storage project in Europe. By 2030 it is expected to reduce CO2 emissions by 1.5 million tons per year.

Amongst other Sustainability actions:

- **Biodiversity and natural resources**: Cementir prioritizes responsible resource management, including biodiversity protection and impact minimization of local ecosystems.
- **Social responsibility**: the Group emphasizes ethical business practices, workplace safety and positive engagement with local communities.

BALANCING SUSTAINABILITY AND PROFITABILITY

By investing in innovative, sustainable products, achieving industry-leading sustainability standards, and maintaining a strong financial position, Cementir combines sustainability with profitability.

- Commitment to reduce CO2 emissions and reach net-zero emission by 2050.
- Investment in innovation to develop products aimed at improving environmental sustainability. Examples include:
  - FUTURECEM® - a low carbon grey cement
  - D-Carb® - a low-carbon white cement
- Recognition of Cementir sustainability efforts:
  - Rating A for Climate Change and A- for Water Management by CDP
  - Validation by the Science Based Targets initiative of its climate targets aligned with the 1.5°C scenario.
- Cementir combines financial stability and profitability, thanks to:
  - diversified business portfolio both by geography and by product
  - solid investment track record and capital strength
  - BBB- rating with Stable Outlook from Standard & Poor's

2) Valuing people

The Group's commitment is to promote a strong safety culture with the goal to achieve Zero Accidents through regular training and awareness programs. It also aims to prioritize employee development and foster a positive, inclusive work environment that champions diversity and inclusion, leveraging on learning platforms such as the Cementir Academy. The Group is dedicated to enhancing human capital by valuing both individual and organizational contributions through adequate remuneration policies. Cementir people-centric culture is demonstrated by the periodical engagement of all employees through regular surveys, in order to foster continuous improvement.

3) Innovation

Innovation is a core driver of Cementir long-term success. This pillar focuses on:

- **Developing sustainable solutions**: Cementir invests in research and development to create new low carbon solutions and other sustainable and high added-value products such as FUTURECEM®, and D-Carb®.
- **Digital transformation**: the company embraces digital technologies to enhance operational efficiency, improve customer experiences, and drive innovation across its operations, also with the adoption of Artificial Intelligence solutions.
- **Breakthrough technologies**: Cementir actively collaborates with external partners, including research institutions and universities, to accelerate the development and adoption of new technologies, including AI. The company also participates in various research projects and emphasizes direct relationship-building by actively seeking customer and partners' feedback.

4) Improve competitiveness

The Group is implementing a series of actions to further enhance profitability and operational efficiency, including process digitization, preventive and predictive maintenance, advanced production control systems, intelligent logistics, warehouse management and integrated digital sales planning.

By streamlining its operations, reducing costs and enhancing efficiency, Cementir aims to improve its financial metrics, position itself for sustainable growth and enhance its ability to compete effectively.

5) Growth and Positioning

Cementir strives to combine organic growth, strategic acquisitions, and targeted investments in key markets. Whilst strengthening its vertically integrated model in the Nordic & Baltic, Belgium and Türkiye regions, the Group aims to consolidate its global leadership in white cement through targeted actions in strategic markets. Its strong balance sheet supports potential inorganic growth opportunities in the core business.

Global presence

Grey cement sales: 8.1 million t

White cement sales: 2.6 million t

Ready-mixed concrete sales: 4.6 million m3

Aggregate sales: 10.1 million t

Precast concrete sales: 55.7 thousand t

8.1 million t	2.6 million t	4.6 million m3	10.1 million t	55.7 thousand t
Grey cement sales	White cement sales	Ready-mixed concrete sales	Aggregate sales	Precast concrete sales

Region / Country	Grey cement plants	Grey cement capacity	White cement plants	White cement capacity	RMC Plants	Terminals	Quarries	Precast concrete plants	Waste Management facilities
	No.	*million t*	*No.*	*million t*	*No.*	*No.*	*No.*	*No.*	*No.*
Nordic & Baltic	1	2.1	1	0.85	65	17	8	-	-
Denmark	*1*	*2.1*	*1*	*0.85*	*33*	*9*	*3*	-	-
Norway	-	-	-	-	*22*	*1*	-	-	-
Sweden	-	-	-	-	*10*	*1*	*5*	-	-
Other	-	-	-	-	-	*6*	-	-	-
Belgium /France	1	2.3	-	-	12	4	3	-	-
North America	-	-	2	0.26	-	27	-	1	-
Türkiye	4	5.4	-	-	23	0	22	-	1
Egypt	-	-	1	1.1	-	-	2	-	-
Asia Pacific	-	-	2	1.1	-	13	3	-	-
China	-	-	*1*	*0.75*	-	*4*	*1*	-	-
Malaysia	-	-	*1*	*0.35*	-	*2*	*2*	-	-
Australia	-	-	-	-	-	*7*	-	-	-
TOTAL	**6**	**9.8**	**6**	**3.3**	**100**	**61**	**38**	**1**	**1**

Nordic & Baltic

Volumes sold (million t – m^3)	2024	2023
Denmark		
Grey cement sales	1.52	1.54
White cement sales	0.48	0.49
Ready-mixed concrete sales	0.96	0.89
Aggregate sales	0.53	0.55
Norway		
Ready-mixed concrete sales	0.51	0.62
Sweden		
Ready-mixed concrete sales	0.16	0.12
Aggregate sales	1.92	2.13

Belgium / France

Volumes sold (million t – m^3)	2024	2023
Belgium / France		
Grey cement sales	1.68	1.87
Ready-mixed concrete sales	0.76	0.80
Aggregate sales	5.12	4.85

North America

Volumes sold (million t)	2024	2023
United States		
White cement sales	0.59	0.57
Precast concrete sales	0.60	0.60

Türkiye

Volumes sold (million t – m^3)	2024	2023
Grey cement sales	4.81	4.42
Ready-mixed concrete sales	2.17	1.83
Aggregate sales	2.51	1.87

Egypt

Volumes sold (million t)	2024	2023
White cement sales	0.56	0.56

Asia Pacific

Volumes sold (million t)	2024	2023
China		
White cement sales	0.68	0.80
Malaysia		
White cement sales	0.30	0.30

Cementir Holding on the Stock Exchange

Cementir shares (Bloomberg ticker: CEM.IM; Reuters ticker: CEMI.IM) have been listed on the Euronext Milan stock market (Borsa Italiana) since 1955 and is currently a constituent of the Euronext STAR Milan segment.

The stock is part of the FTSE Italia All-Share, FTSE Italia Mid Cap and FTSE Italia STAR indices.

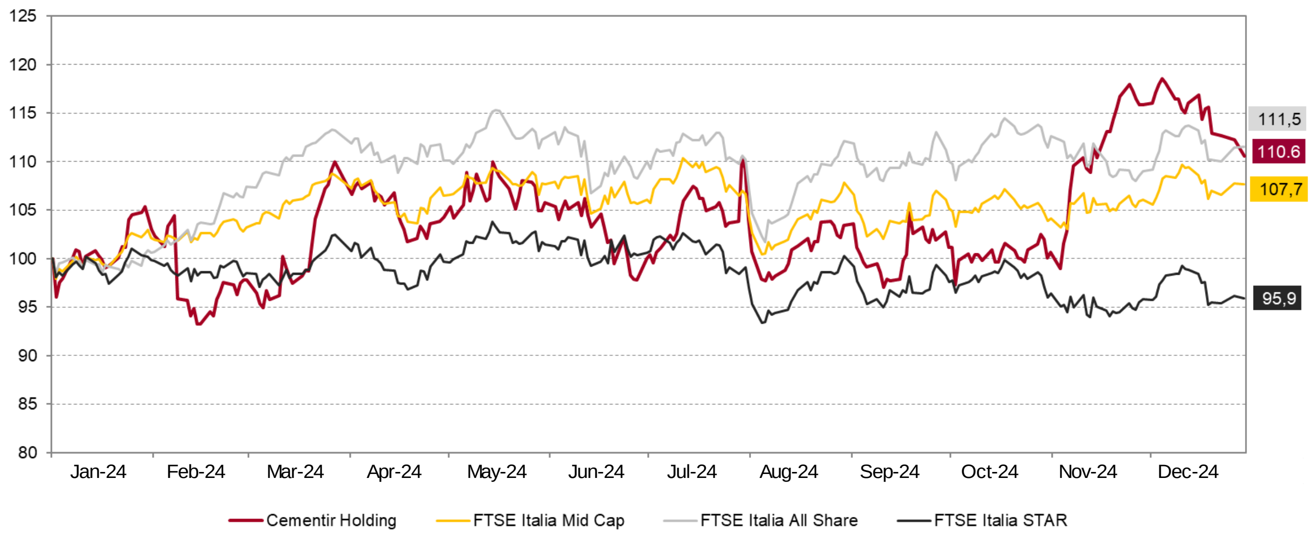
Key share price data

(EUR'000)	**2020**	**2021**	**2022**	**2023**	**2024**
Share capital at 31 December (EUR)	159,120,000	159,120,000	159,120,000	159,120,000	159,120,000
Number of ordinary shares	159,120,000	159,120,000	159,120,000	159,120,000	159,120,000
Treasury shares at 31 December	694,500	3,600,000	3,600,000	3,600,000	3,600,000
Earnings per share (EUR)	0.641	0.724	1.044	1.295	1.297
Dividend per share (EUR)	0.14	0.18	0.22	0.28	0.28(1)
Pay-out ratio	21.8%	24.9%	21.1%	21.6%	21.6%
Dividend yield (2)	2.1%	2.1%	3.6%	2.9%	2.7%
Market capitalisation (EUR million)(3)	1,058.1	1,333.4	977.0	1,518.0	1,677.1
Share price (EUR)					
Low	*4.17*	*6.60*	*5.17*	*6.12*	*8.82*
High	*7.20*	*9.98*	*8.67*	*9.72*	*11.40*
Year-end price	*6.65*	*8.38*	*6.14*	*9.54*	*10.54*

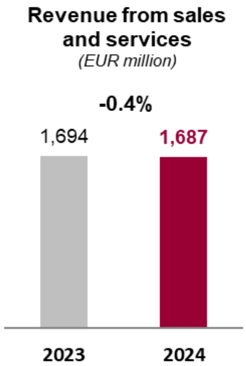
(1) Dividend proposed to the Shareholders' Meeting.
(2) Dividend per Share / Year-end share price
(3) Figures are calculated on the basis of the year-end price.

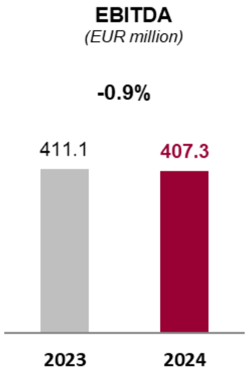
Share price relative performance

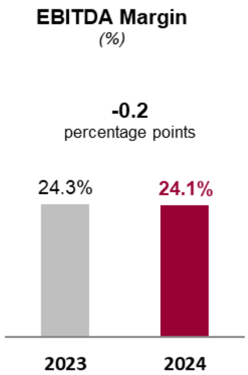
Base 2 January 2024

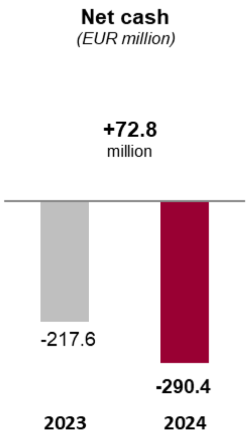


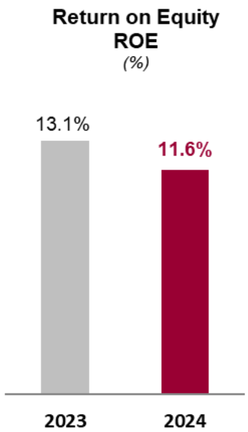
Financial highlights











Performance highlights[1]

(EUR'000)	**2020**	**2021**	**2022**	**2022 (Non-GAAP**	**2023**	**2023 (Non-GAAP)**	**2024**	**2024 (Non-GAAP)**
Revenue from sales and services	1,224,793	1,359,976	1,723,103	1,720,871	1,694,247	1,694,638	1,686,943	1,648,839
EBITDA	263,740	310,952	335,250	336,293	411,122	421,873	407,342	399,256
EBITDA Margin %	*21.5%*	*22.9%*	*19.5%*	*19.5%*	*24.3%*	*24.9%*	24.1%	24.2%
EBIT	157,173	197,783	204,422	214,749	278,329	299,231	262,022	266,687
Financial income (expense)	(14,615)	(25,797)	32,012	11,980	12,381	16,530	22,870	28,642
Profit before taxes	142,558	171,986	236,434	226,728	290,710	315,761	284,892	295,329
Income taxes	(33,195)	(48,992)	(54,877)	(46,833)	(75,218)	(78,673)	(70,437)	(58,804)
Profit for the year	109,363	122,995	181,557	179,895	215,492	237,088	214,455	236,525
Profit attributable to the owners of the parent	102,008	113,316	162,286	161,203	201,364	223,322	201,640	223,846
Profit margin %	*8.3%*	*8.3%*	*9.4%*	*9.4%*	*11.9%*	*13.2%*	12.0%	13.6%

[1] From April 2022 the Turkish economy is considered hyperinflationary according to the criteria set out in "IAS 29 - Financial Reporting in Hyperinflationary Economies". Non-GAAP figures exclude both the impact of the application of IAS 29 and the re-valuation of non-industrial property in Türkiye.

Financial and equity highlights

(EUR'000)	2020	2021	2022	2023	2024
Net capital employed	1,305,142	1,267,932	1,427,272	1,433,223	1,565,948
Total assets	2,232,379	2,111,058	2,493,976	2,522,194	2,755,724
Total equity	1,182,962	1,227,557	1,522,773	1,650,833	1,856,384
Equity attributable to the owners of the parent	1,056,709	1,088,128	1,368,183	1,503,064	1,717,031
Net financial debt (Net cash)	122,181	40,375	(95,501)	(217,610)	(290,436)

Profit and equity ratios

	2020	2021	2022	2023	2024
Return on equity (a)	9.2%	10.0%	11.9%	13.1%	11.6%
Return on capital employed (b)	12.0%	15.6%	14.3%	19.4%	16.7%
Equity ratio (c)	52.7%	57.7%	60.3%	64.9%	66.9%
Net gearing ratio (d)	10.4%	3.3%	-6.4%	-13.3%	-15.8%
Net financial debt/EBITDA	0.5x	0.1x	-0.3x	-0.5x	-0.7x

(a) Profit from continuing operations/Total equity
(b) EBIT/Net capital employed
(c) Adjusted equity/Total assets
(d) Net financial debt/ Adjusted equity

Personnel and investments

	2020	2021	2022	2023	2024
Number of employees (at 31 Dec)	2,995	3,083	3,085	3,045	3,082
Acquisitions / (Divestments) (EUR million)	-	3.8	-	4.2	48
Investments (EUR million) [e]	85.9	99.1	122.6	147.9	171.3

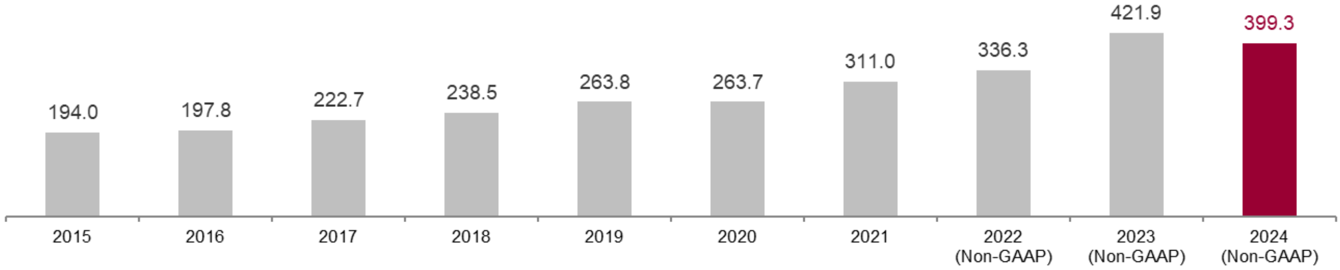
(e) Including investments accounted for in accordance with IFRS 16.

Sales volumes

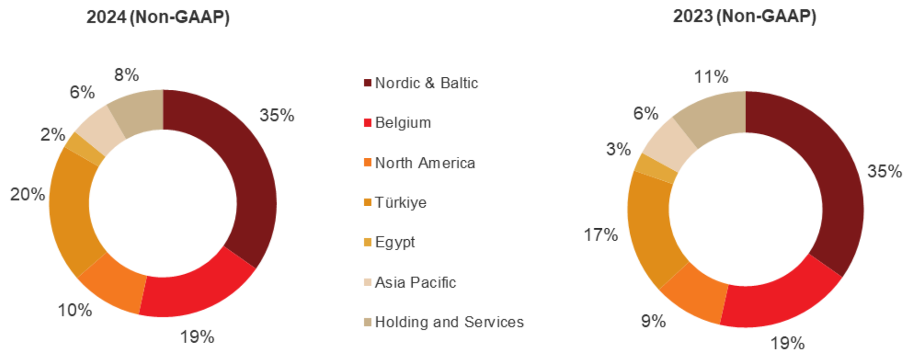
(000)	2020	2021	2022	2023	2024
Grey and white cement (t)	10,712	11,156	10,849	10,674	10,722
Ready-mixed concrete (m^3)	4,435	5,093	4,798	4,266	4,563
Aggregates (t)	10,222	11,052	10,462	9,401	10,066

EBITDA performance

(EUR Million)

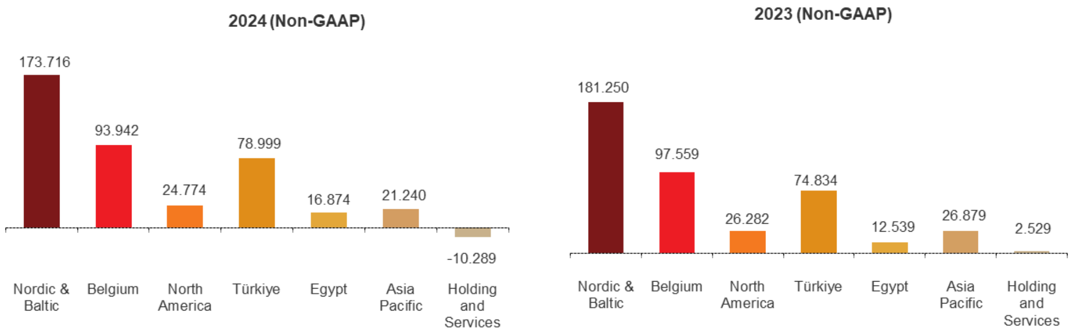


Revenue from sales and services by geographical segment



(EUR'000)	**2024 (Non-GAAP)**	**2023 (Non-GAAP)**	**Change %**
Nordic & Baltic	623,338	664,669	-6.2%
Belgium	335,314	359,873	-6.8%
North America	182,703	182,840	-0.1%
Türkiye	353,535	329,744	7.2%
Egypt	46,264	50,255	-7.9%
Asia Pacific	104,537	121,440	-13.9%
Holding and Services	148,596	204,492	-27.3%
Eliminations	(145,448)	(218,675)	-33.5%
Total revenue from sales and services	**1,648,839**	**1,694,638**	**-2.7%**

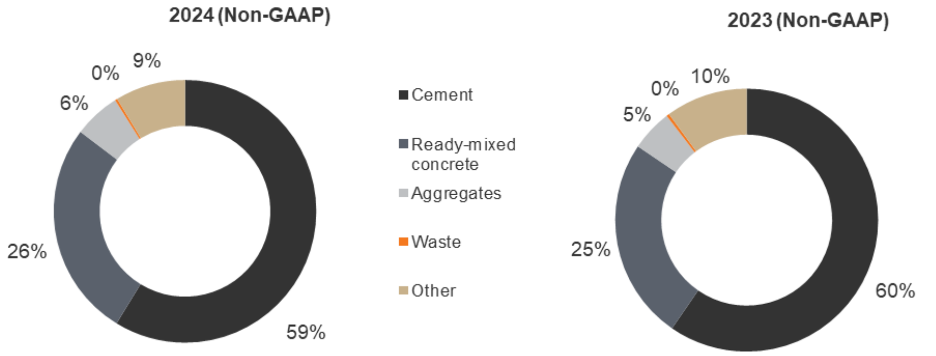
EBITDA by geographical segment



(EUR'000)	**2024 (Non-GAAP)**	**2023 (Non-GAAP)**	**Change %**
Nordic & Baltic [1]	173,716	181,250	-4.2%
Belgium	93,942	97,559	-3.7%
North America	24,774	26,282	-5.7%
Türkiye [2]	78,999	74,834	5.6%
Egypt	16,874	12,539	34.6%
Asia Pacific [3]	21,240	26,879	-21.0%
Holding and Services [4]	(10,289)	2,529	n.m.
Total EBITDA	**399,256**	**421,873**	**-5.4%**

[1] Includes non-recurring income of EUR 6.8 million in 2023.
[2] Includes non-recurring income of EUR 6.9 million in 2024 and non-recurring income of EUR 4.2 million in 2023.
[3] Includes non-recurring income of EUR 1.0 million in 2023.
[4] Includes non-recurring charges of EUR 11.0 million in 2024, of which 6.9 had no impact on the consolidated result.

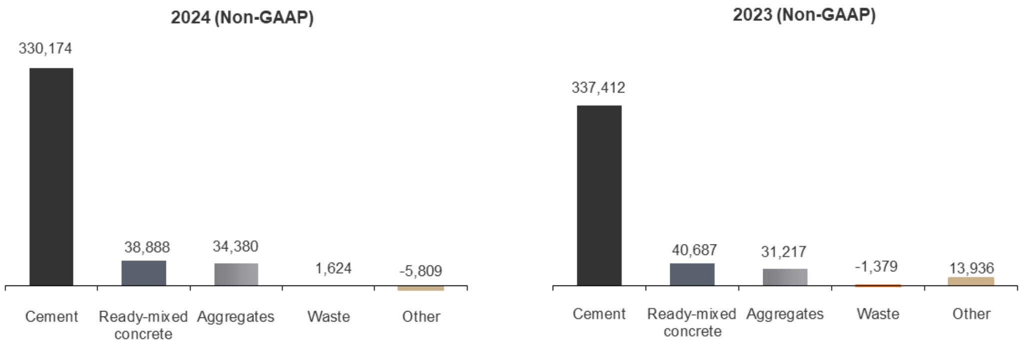
Revenue from sales and services by business segment



(EUR'000)	**2024 (Non-GAAP)**	**2023 (Non-GAAP)**	**Change %**
Cement	1,111,515	1,167,250	-4.8%
Ready-mixed concrete	503,635	486,719	3.5%
Aggregates	108,255	99,843	8.4%
Waste	5,611	6,796	-17.4%
Other*	163,604	197,186	-17.0%
Eliminations	(243,781)	(263,156)	-7.4%
Total revenue from sales and services	**1,648,839**	**1,694,638**	**-2.7%**

*Other mainly includes precast concrete, trading company Spartan Hive and Cementir Holding.

EBITDA by business segment



(EUR'000)	**2024 (Non-GAAP)**	**2023 (Non-GAAP)**	**Change %**
Cement [1]	330,174	337,412	-2.1%
Ready-mixed concrete	38,888	40,687	-4.4%
Aggregates	34,380	31,217	10.1%
Waste [2]	1,624	(1,379)	n.m.
Other [3]	(5,809)	13,936	n.m.
Total EBITDA	**399,256**	**421,873**	**-5.4%**

[1] Includes non-recurring income of EUR 6.9 million in 2024 and non-recurring income of EUR 12.1 million in 2023.
[2] Includes non-recurring charges of EUR 0.5 million in 2023.
[3] Includes non-recurring charges of EUR 11.0 million in 2024, of which 6.9 had no impact on the consolidated result.

Non financial highlights

Grey cement

	Unit	2020	2021	2022	2023	2024
CO_2 emissions - Scope 1	kg/t cement	718	684	672	655	632
Reduction compared to 2020	%	*0%*	*-5%*	*-6%*	*-9%*	*-12%*
Clinker ratio	%	82%	81%	80%	79%	77%
Traditional fuel use	%	72%	70%	68%	67%	66%
Alternative fuel use	%	28%	30%	32%	33%	34%

White cement

	Unit	2020	2021	2022	2023	2024
White cement						
CO_2 emissions - Scope 1	kg/t cement	915	919	886	846	859
Reduction compared to 2020	%	*0%*	*0%*	*-3%*	*-7%*	*-6%*
Clinker ratio	%	82%	83%	81%	79%	80%
Traditional fuel use	%	85%	85%	85%	82%	80%
Natural gas use	%	12%	12%	13%	16%	18%
Alternative fuel use	%	3%	3%	2%	2%	2%

Other environmental indicators

	Unit	2020	2021	2022	2023	2024
Fossil fuel replacement index[2]	%	19%	20%	21%	22%	23%
Specific water consumption[3]	Litres /ton cement	445	413	402	387	373
Reduction compared to 2019	%	*-7%*	*-14%*	*-16%*	*-19%*	*-22%*
Specific water consumption in high water stress areas[4]	Litres /ton cement	292	285	270	253	241
Reduction compared to 2019	%	*0%*	*-2%*	*-7%*	*-13%*	*-17%*

Health & Safety[5]

	Unit	2020	2021	2022	2023	2024
No. of fatal injuries[6]	No.	0	0	0	0	0
Fatality rate[7]		0.0	0.0	0.0	0.0	0.0
Lost Time Injuries LTI [8]		60	56	25	17	17
LTI Frequency Rate[9]		11.0	9.9	4.2	2.9	3.0
LTI Severity Rate[10]		0.16	0.14	0.10	0.07	0.10

[2] Alternative fuels used / total fuels used for the production of grey and white cement.
[3] Water consumed / cement produced by the Group.
[4] Water consumed in high water stress areas / cement produced by the Group in high water stress areas.
[5] All Health & Safety indicators refer to employees.
[6] Deaths as a result of accidents at work.
[7] Fatality rate: (fatal injuries/hours worked) x 1,000,000.
[8] LTI: number of injuries with working days of absence.
[9] LTIFR: (injuries with working days of absence/hours worked) x 1,000,000.
[10] LTISR: (working days of absence/hours worked) x 1,000.

Employees

	Unit	2020	2021	2022	2023	2024
Number of employees (at 31 Dec) [11]		3,009	3,124	3,121	3,086	3,123
Training hours per capita		11.7	12.2	22.0	25.9	23.5
Voluntary turnover rate	%	n.a.	n.a.	11%	11%	7%

Relevant certifications

	Unit	2020	2021	2022	2023	2024
Certificates ISO 14001 – Environmental Management System	No. of cement plant	8/11	8/11	8/11	8/11	9/11
Certificates ISO 45001 – Health & Safety Management System	No. of cement plant	8/11	8/11	11/11	11/11	11/11

ESG Rating

During 2024 all major ESG rating agencies either improved or confirmed Cementir ESG ratings. Notably, CDP upgraded Cementir rating to A for Climate Change and confirmed A- for Water Security. In addition, the company was recognized as an ESG Industry Top-Rated company by Sustainalytics and named a Climate Leader by the Financial Times.

These achievements highlight the Group's strong commitment to sustainability and the various initiatives implemented over time to enhance its positive impact on society.

Cementir ESG ratings:

Agency	2023 Rating	2024 Rating
CDP Climate Change*	A-	A
CDP Water Security*	A-	A-
Refinitiv	A-	A-
MSCI	A	A
S&P Global	56/100	61/100
Sustainalytics	29.2 (Medium Risk)	22.3 (Medium Risk)
ISS ESG	C+ Prime	C+ Prime
Ethifinance	70/100	75/100
Identity Corporate Index (formerly Integrated Governance Index)	52/100	55.99/100
Financial Times / Statista	Not included	Climate Leader

(*) Ratings updated to February 2025.

[11] The number of employees includes 100% of SCT even though, in the Directors' Report, the subsidiary is proportionally consolidated (as it is jointly controlled at 65%).

Corporate Bodies

Board of Directors[1] In office until the approval of the 2025 Financial Statements	*Executive Director, Chairman and Chief Executive Officer*	Francesco Caltagirone Jr.
	Vice-chairman[2] and Non-Executive Director	Alessandro Caltagirone
	Vice-chairman[2] and Non-Executive Director	Azzurra Caltagirone
	Non-Executive Directors	Saverio Caltagirone Fabio Corsico Adriana Lamberto Floristan *(independent)- Senior Non Executive Director[2]* Annalisa Pescatori *(independent)* Benedetta Navarra *(independent)*
Audit Committee[3]	*Chairman*	Benedetta Navarra *(independent)*
	Members	Annalisa Pescatori *(independent)* Adriana Lamberto Floristan *(independent)*
Remuneration and Nomination Committee[3]	*Chairman*	Annalisa Pescatori *(independent)*
	Members	Benedetta Navarra *(independent)* Adriana Lamberto Floristan *(independent)*
Sustainability Committee[3]	*Chairman*	Francesco Caltagirone Jr.
	Members	Annalisa Pescatori (*independent*) Benedetta Navarra(*independent*) Adriana Lamberto Floristan *(independent)*
Independent auditors For the period 2021-2030		PricewaterhouseCoopers Accountants N.V.

[1] Appointed by resolution of the Shareholders' Meeting of 20 April 2023
[2] Office conferred by board resolution of 27 April 2023
[3] Incorporated by board resolution of 27 April 2023

GROUP PERFORMANCE

TÜRKIYE - HYPERINFLATED ECONOMY: IMPACTS OF THE APPLICATION OF IAS 29

As of April 2022, the Turkish economy is considered hyperinflationary according to the criteria set out in "IAS 29-Financial Reporting in Hyperinflationary Economies". For the purpose of preparing these Consolidated Financial Statements and in accordance with IAS 29, certain non-monetary items in the balance sheets of the investee companies in Türkiye and the income statement items have been remeasured by applying the general consumer price index to historical data, in order to reflect the changes in the purchasing power of the Turkish Lira at the balance sheet date of these companies.

The accounting effects of this adjustment, in addition to already being reflected in the opening balance sheet as of 1 January 2024, incorporate the changes for the period. In particular, the effect related to the re-measurement of non-monetary assets and liabilities, equity items, and income statement items recognised in 2024 was recognised in a separate income statement item under financial income and expenses. The related tax effect of non-cash assets was recognised in taxes for the period.

To take into account the impact of hyperinflation also on the local currency exchange rate, profit and loss account balances expressed in hyperinflationary currencies have been converted into euro, the Group's presentation currency, applying the final exchange rate instead of the average exchange rate for the period, in line with IAS 21's requirement to report these amounts at current values.

The cumulative levels of the general consumer price indices are as follows:

- From 1 January 2005 to 31 December 2023: 1,533%
- From 1 January 2024 to 31 December 2024: 44%

In 2024, the application of IAS 29 resulted in the recognition of a net financial charge (pre-tax) of EUR 5.9 million.
The impact of hyperinflation in 2024 is reported, which includes the valuation of non-industrial real estate in Türkiye in the amount of approximately EUR 15.5 million (EUR 7.7 million in 2023):

(EUR'000)	IAS 29 Effect	IAS 21 Effect	Total Effect
REVENUE FROM SALES AND SERVICES	**48,612**	**(10,508)**	**38,104**
Change in inventories	(4,153)	(0,044)	(4,197)
Increase for internal work and other income	14,294	1,627	15,921
TOTAL OPERATING REVENUE	**58,753**	**(8,925)**	**49,828**
Raw materials costs	(36,558)	5,919	(30,639)
Personnel costs	(4,302)	0,878	(3,424)
Other operating costs	(9,544)	1,865	(7,679)
TOTAL OPERATING COSTS	**(50,404)**	**8,662**	**(41,742)**
EBITDA	**8,349**	**(0,263)**	**8,086**
Amortisation, depreciation, impairment losses and provisions	(13,054)	0,303	(12,751)
EBIT	**(4,705)**	**0,040**	**(4,665)**
Net financial income (expense)	(5,606)	(0,166)	(5,772)
NET FINANCIAL INCOME (EXPENSE)	**(5,606)**	**(0,166)**	**(5,772)**
PROFIT BEFORE TAXES	**(10,311)**	**(0,126)**	**(10,437)**
Income taxes	(15,017)	3,384	(11,633)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**(25,328)**	**3,258**	**(22,070)**
PROFIT (LOSS) FOR THE PERIOD	**(25,328)**	**3,258**	**(22,070)**
Attributable to: Non-controlling interests	538	(402)	136
Owners of the Parent	**(25,866)**	**3,660**	**(22,206)**

Financial Highlights

(EUR'000)

	2024	2023	Change %
REVENUE FROM SALES AND SERVICES	**1,686,943**	**1,694,247**	**-0.4%**
Change in inventories	(497)	11,671	-104.3%
Increase for internal work and other income	27,448	31,629	-13.2%
TOTAL OPERATING REVENUE	**1,713,894**	**1,737,547**	**-1.4%**
Raw materials costs	(708,448)	(739,121)	-4.1%
Personnel costs	(215,192)	(203,125)	5.9%
Other operating costs	(382,912)	(384,179)	-0.3%
TOTAL OPERATING COSTS	**(1,306,552)**	**(1,326,425)**	**-1.5%**
EBITDA	**407,342**	**411,122**	**-0.9%**
EBITDA Margin %	*24.1%*	*24.3%*	
Amortisation, depreciation, impairment losses and provisions	(145,320)	(132,793)	9.4%
EBIT	**262,022**	**278,329**	**-5.9%**
EBIT Margin %	*15.5%*	*16.4%*	
Share of net profits of equity-accounted investees	1,154	772	49.5%
Net financial income (expense)	21,716	11,609	87.1%
NET FINANCIAL INCOME (EXPENSE)	**22,870**	**12,381**	**84.7%**
PROFIT BEFORE TAXES	**284,892**	**290,710**	**-2.0%**
PROFIT BEFORE TAXES/REVENUE %	*16.9%*	*17.2%*	
Income taxes	(70,437)	(75,218)	-6.4%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**214,455**	**215,492**	**-0.5%**
PROFIT FOR THE YEAR	**214,455**	**215,492**	**-0.5%**
Attributable to:			
Non-controlling interests	12,815	14,128	-9.3%
Owners of the Parent	**201,640**	**201,364**	**0.1%**

Non-GAAP Financial Summary

The consolidated Non-GAAP income statement for 2024 is reported below, with comparative figures provided for 2023.

These results do not include the impacts of hyperinflation as reported in the previous paragraph. This representation allows a better comparison of the Group's performance compared to the same period of the previous year. The data below are considered "non-GAAP" measures.

(EUR'000)	2024 (Non-GAAP)	2023 (Non-GAAP)	Change %
REVENUE FROM SALES AND SERVICES	**1,648,839**	**1,694,638**	**-2.7%**
Change in inventories	3,700	17,054	-78.3%
Increase for internal work and other income	11,528	26,024	-55.7%
TOTAL OPERATING REVENUE	**1,664,067**	**1,737,716**	**-4.2%**
Raw materials costs	(677,809)	(728,781)	-7.0%
Personnel costs	(211,768)	(202,856)	4.4%
Other operating costs	(375,234)	(384,206)	-2.3%
TOTAL OPERATING COSTS	**(1,264,811)**	**(1,315,843)**	**-3.9%**
EBITDA	**399,256**	**421,873**	**-5.4%**
EBITDA Margin %	*24.2%*	*24.9%*	
Amortisation, depreciation, impairment losses and provisions	(132,569)	(122,642)	8.1%
EBIT	**266,687**	**299,231**	**-10.9%**
EBIT Margin %	*16.2%*	*17.7%*	
Share of net profits of equity-accounted investees	1,154	772	49.5%
Net financial income (expense)	27,488	15,758	74.4%
NET FINANCIAL INCOME (EXPENSE)	**28,642**	**16,530**	**73.3%**
PROFIT BEFORE TAXES	**295,329**	**315,761**	**-6.5%**
PROFIT BEFORE TAXES/REVENUE %	*17.9%*	*18.6%*	
Income taxes	(58,804)	(78,673)	-25.3%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**236,525**	**237,088**	**-0.2%**
PROFIT FOR THE YEAR	**236,525**	**237,088**	**-0.2%**
Attributable to:			
Non-controlling interests	12,679	13,766	-7.9%
Owners of the Parent	**223,846**	**223,322**	**0.2%**

Sales volumes

('000)	2024	2023	Change %
Grey, White cement and Clinker (metric tons)	10,722	10,674	0.5%
Ready-mixed concrete (m3)	4,563	4,266	7.0%
Aggregates (metric tons)	10,066	9,401	7.1%

During 2024, cement and clinker **sales volumes** of 10.7 million tons increased by 0.5% compared to 2023, due to the good performance in Türkiye and to a lesser extent in the United States and Egypt, which offset the reduction in volumes in the other regions.

Ready-mixed concrete sales volumes of 4.6 million cubic metres increased by 7.0%, driven by the positive performance of Türkiye, Denmark and Sweden, while Norway and Belgium recorded a decline due to slowing demand and adverse weather conditions in the first months of the year.

Aggregate sales volumes reached 10.1 million tons, up 7.1%, driven mainly by Türkiye and Belgium, while they decreased in Sweden and Denmark.

Group revenue from sales and services, at EUR 1,648.8 million, decreased by 2.7% compared to EUR 1,694.6 million in 2023. The contraction was widespread in all regions with the exception of Türkiye and Sweden, influenced by lower volumes in some regions and the sharp depreciation of currencies in Türkiye and Egypt. Indeed, at constant 2023 exchange rates, revenue would have reached EUR 1,795.7 million, up by 6.0% on the previous year.

At EUR 1,264.8 million, **operating costs** decreased by 3.9% compared to 2023 (EUR 1,315.8 million).

The **cost of raw materials** amounted to EUR 677.8 million (EUR 728.9 million in 2023), down 7.0% mainly due to the combined effect of lower volumes in some areas and exchange rate developments, particularly in Türkiye.

At EUR 211.8 million, **personnel costs** increased by 4.4% compared to EUR 202.9 million in 2023.

Other operating costs, equal to EUR 375.2 million, fell by 2.3% compared to EUR 384.2 million in 2023.

EBITDA reached EUR 399.3 million, down 5.4% compared to EUR 421.9 million in 2023, due to lower results achieved in all geographical areas except Egypt, Türkiye and Sweden. It should be noted that EBITDA in 2024 includes non-recurring expenses of EUR 4.4 million, whereas in 2023 the figure included net non-recurring income of approximately EUR 11.6 million from capital gains on the sale of land and machinery. Net of these non-recurring items, EBITDA amounted to EUR 403.6 million, down 1.6% from the recurring EBITDA of 2023.

The EBITDA margin was 24.2%, compared to 24.9% in 2023.

At constant 2023 exchange rates, EBITDA would have amounted to EUR 432.1 million, up 2.4% compared to the previous year.

Taking into account EUR 132.6 million of amortisation, depreciation, write-downs and provisions (EUR 122.6 million in 2023), **EBIT** reached EUR 266.7 million, down 10.9% compared to EUR 299.2 million in the previous year. Depreciation and amortisation due to the application of IFRS 16 amounted to EUR 37.4 million (EUR 31.3 million in 2023).

At constant 2023 exchange rates, EBIT would have amounted to EUR 294.7 million, down 1.5% year-on-year

Net financial income amounted to EUR 28.6 million (EUR 16.5 million in 2023), and included: net financial income of EUR 7.1 million, of which EUR 4.6 million in expenses for the application of IFRS 16 (net financial expense of EUR 4.4 million in 2023, of which EUR 2.6 million for IFRS 16), net foreign exchange income of EUR 22.4 million (EUR 15.4 million in 2023), the share of net profits of equity-accounted investees of EUR 1.2 million (EUR 0.8 million in 2023) and the effect of the valuation of derivatives.

Profit before taxes was EUR 295.3 million, down 6.5% on EUR 315.8 million in 2023.

Profit from continuing operations totalled EUR 236.5 million (EUR 237.1 million 2023), after taxes amounting to EUR 58.8 million (EUR 78.7 million in the previous year).

Group net profit, once non-controlling interests were accounted for, amounted to EUR 223.8 million (EUR 223.3 million in 2023).

Financial highlights

(EUR'000)	31-12-2024	31-12-2023
Net capital employed	1,565,948	1,433,223
Total equity	1,856,384	1,650,833
Net financial debt / (Net Cash)	-290,436	-217,610

Net cash at 31 December 2024, equal to EUR 290.4 million, is an improvement of EUR 72.8 million compared to a net cash position of EUR 217.6 million at 31 December 2023, and includes: the Parent Company's dividend distribution of EUR 43.5 million in May 2024; dividends of EUR 14 million paid to third-party shareholders; extraordinary investments including the increase of the equity investment in the Egyptian subsidiary for EUR 30 million and the acquisition of a ready-mixed concrete plant and a minority stake in Denmark for approximately EUR 18 million. The net cash position includes EUR 90.8 million of debt related to the application of IFRS 16 (EUR 82.3 million as of 31 December 2023).

Total equity as at 31 December 2024 amounted to EUR 1,856.4 million (EUR 1,650.8 million as at 31 December 2023).

FINANCIAL INDICATORS

The following table provides the most significant indicators for a brief assessment of the performance and financial position of the Cementir Holding Group. Return on equity and Return on Capital Employed allows for a rapid understanding of how the operational performance of the Group has an impact on overall profitability. The other Financial Indicators highlight the ability of the company to meet its financial obligations.

PERFORMANCE INDICATORS	2024	2023	COMPOSITION
Return on Equity	11.55%	13.05%	Profit from continuing operations/Equity
Return on Capital Employed	16.73%	19.42%	EBIT/(Equity + Net financial debt)

FINANCIAL INDICATORS	2024	2023	COMPOSITION
Equity Ratio	66.90%	64.89%	Adjusted Equity/Total Assets
Net Gearing Ratio	-15.75%	-13.30%	Net financial debt/ Adjusted Equity
Liquidity Ratio	1.29	1.15	Cash + Receivables / Current Liabilities
Cash Flow	1.95	1.53	Operating Cash Flow / Total Financial Debt
Finance Needs (Net cash)	-290.4	-217.6	Net Financial Position

The indicators confirmed the positive trend of the current economic management and the impact generated by the cash flow from ordinary activities.

The balance sheet indicators show a further strengthening of the Group's equity and financial structure, which closed the year with a net cash position of EUR 290.4 million.

PERFORMANCE BY GEOGRAPHICAL SEGMENT

The data reported in the Türkiye paragraph do not include the impact of the application of IAS 29 - Accounting for hyperinflated economies, the effects of which are reported in the section "Türkiye - Hyperinflated Economy: impacts for the application of IAS 29", and do not include the fair value adjustments of non-industrial real estate.

Nordic and Baltic

(EUR'000)	2024	2023	Change %
Revenue from sales	623,338	644,669	-3.3%
Denmark	*478,756*	*484,494*	*-1.2%*
Norway / Sweden	*140,844*	*157,923*	*-10.8%*
Other (1)	*75,635*	*76,341*	*-0.9%*
Eliminations	*(71,897)*	*(74,089)*	
EBITDA	173,716	181,250	-4.2%
Denmark	*159,795*	*168,302*	*-5.1%*
Norway / Sweden	*9,134*	*8,831*	*3.4%*
Other (1)	*4,787*	*4,117*	*16.3%*
EBITDA Margin %	*27.9%*	*28.1%*	
Investments	58,984	61,291	

(1) Iceland, Poland and white cement operating activities in Belgium and France

Denmark

In 2024, sales revenues reached EUR 478.8 million, down by 1.2% compared to EUR 484.5 million in 2023.

Cement volumes on the domestic market, both grey and white, remained in line with the previous year. After a slow start of the year, with first quarter affected by harsh weather conditions and a still stagnant market environment, volumes progressively increased in the third and the fourth quarter (+5% and +8%, respectively) thanks to a market recovery combined with an increase in cement supply to the submarine tunnel project connecting Denmark with Germany (Fehmarn Belt).

Cement volumes also benefited from the acquisition of a ready-mix concrete plant in the central-eastern Jutland peninsula, and a minority stake in a second ready-mix concrete plant on the island of Funen, which took place in April 2024.

High interest rates, inflation and wage pressure continued to weigh on the residential sector, whose weakness was partly offset by investments in infrastructure and energy projects.

Cement exports, on the other hand, declined by around 4.5% due to lower deliveries to Belgium, France and Norway, partially offset by higher deliveries to Iceland, Poland, the UK and Germany.

Ready-mixed concrete volumes grew by 6% compared to 2023, thanks to change in perimeter and the contribution of a major project in North Zealand, which offset general market weakness, the postponement of some infrastructure projects, increasing competition and difficult weather conditions at the beginning of the year.

Aggregate sales volumes declined by 4% compared to 2023 compensated by a significant increase of almost 30% in the fourth quarter.

EBITDA reached EUR 159.8 million (EUR 168.3 million in 2023), down 5.1%. It should also be noted that EBITDA in 2023 had benefited from a capital gain from the sale of land for about EUR 6.8 million. Excluding non-recurring items, EBITDA decreased by 1.1%, mainly due to lower exported cement and aggregate sales volumes, and lower prices due to mix partially offset by savings on variable costs.

Total investments for 2024 amounted to EUR 47.8 million, of which about EUR 36.3 million in the cement sector, in particular extraordinary maintenance projects on the grey kiln and the construction of the new 4,500 tons cement silo at the port of Aalborg used to load ships dedicated to the Fehmarn Belt. The main investment in ready-mixed concrete relates to the renovation and refurbishment of a plant near Copenhagen. Investments included EUR 14.9 million accounted for in accordance with IFRS 16 and concern ships and transport vehicles.

Norway and Sweden

In 2024, sales revenue in Norway and Sweden decreased by 10.8% to EUR 140.8 million (EUR 157.9 million in 2023).

In Norway, ready-mixed concrete sales volumes decreased by 18% compared to the previous year due to slowdown in residential and commercial demand, delays or postponement of major infrastructure projects, which caused temporary plant closures. The construction sector is facing a deep crisis, which began in late 2022, driven by rising construction costs and high interest rates. The devaluation of the local currency made imports more expensive, while rising wages further aggravated the scenario. The decline in 2024 exceeded that of the 2008-2009 crisis, hitting the residential and commercial segments in particular.

The Norwegian krone depreciated by 1.8% against the average Euro exchange rate in the same period in 2023.

In Sweden, ready-mixed concrete volumes increased by 32% year-on-year in 2024 due to the contribution of a major project in Karlskrona, southern Sweden, while aggregate volumes decreased by 10% despite a 4% recovery in the last quarter, supported by the start of a major project. The activity was also affected by the cold temperatures and frequent snowfalls.

The Swedish krona appreciated by 0.4% against the average exchange rate of the Euro in the same period of 2023.

EBITDA amounted to EUR 9.1 million (EUR 8.8 million in 2023), up 3.4% due to the positive performance of Sweden, which benefited from higher sales volumes in ready-mixed concrete and savings on production and transport costs, while Norway suffered from lower sales volumes only partially offset by savings on fixed costs.

Investments amounted to EUR 10.2 million, of which EUR 5.1 million in Norway and EUR 5.1 million in Sweden. In Norway, investments mainly concerned the renovation of a plant southwest of Oslo, while in Sweden the purchase of machinery for loading quarried materials. Investments recognised as a result of IFRS 16 were EUR 4.2 million.

Belgium

(EUR'000)	2024	2023	Change %
Revenue from sales	335,314	359,873	-6.8%
EBITDA	93,942	97,559	-3.7%
EBITDA Margin %	28.0%	27.1%	
Investments	65,025	37,262	

Sales revenue decreased by 6.8% to EUR 335.3 million compared to EUR 359.9 million in 2023.

In 2024, cement sales volumes in the domestic market decreased only moderately compared to the previous year. The construction sector continues to face an unfavourable economic context, with the market shrinking between 6% and 8% from 2023.

Exports to northern France and the Netherlands, on the other hand, fell more sharply due to the slowdown in residential sector, and in France, due to a physiological market slowdown following the conclusion of the Olympics.

Ready-mixed concrete sales volumes decreased by around 5% compared to 2023 despite a significant recovery in the last quarter (+15%), thanks to the restart of major projects, the acquisition of new contracts and mild weather conditions.

Overall, several factors influenced sales for the year, in addition to the general weakness of the residential and commercial sector, especially in the Brussels area: harsh weather conditions and above-average seasonal rainfall in the first quarter, longer Easter holidays, slower recovery after the summer holidays, several days of strike and, finally, the temporary closure of a plant in January for renovation and restructuring.

On the other hand, sales of aggregates increased by 5% compared to 2023, outperforming the market and accelerating in the last quarter (+14%) thanks to some jobsites performance and commercial actions. In Belgium, the market was characterised by unfavourable weather conditions in the first quarter and by the general decline in demand, particularly in the residential segment, as well as strong competition. In France, the road surfacing market has remained robust, despite increasing competition.

EBITDA decreased by 3.7% to EUR 93.9 million (EUR 97.6 million in the previous year) mainly because of the cement segment, which was penalised by lower sales volumes.

The investments made in 2024 amounted to EUR 65.0 million and mainly concerned the renovation project of kiln 4 at the Gaurain plant completed in the fourth quarter of 2024. Beside the increase in clinker capacity, the project will increase alternative fuels use from 40% to more than 70%, and to reduce CO2 emissions per ton of clinker by about 6%. Investments recognised as a result of IFRS 16 were EUR 8.8 million.

North America

(EUR'000)	2024	2023	Change %
Revenue from sales	182,703	182,840	-0.1%
EBITDA	24,774	26,282	-5.7%
EBITDA Margin %	13.6%	14.4%	
Investments	7,672	12,849	

In the United States, revenues in 2024 were constant at EUR 182.7 million (EUR 182.8 million in 2023).

White cement sales volumes recorded a slight increase compared to 2023, thanks to the commercial policies implemented since the beginning of the year.

Sales in Texas increased moderately; in the first quarter were adversely affected by rainfall and two fewer working days than in 2023, while from the third quarter the weather conditions improved along with the benefits of sales activities, which contributed to an above-average market performance. However, strong competition and increasing imports continue to put pressure on sales prices.

New York State and Florida also saw an increase in sales compared to 2023, with the latter benefiting from effective business strategies despite the impact of two hurricanes in the last quarter.

In California, deliveries grew in all market segments, despite very efficient competition in distribution logistics.

Additionally, a new terminal has been opened in Chattanooga to reduce transport costs and increase sales.

The US dollar remained in line with the average Euro exchange rate of 2023.

EBITDA decreased by 5.7% to EUR 24.8 million (EUR 26.3 million in 2023), due to lower sales prices resulting from strong competition and higher raw material, transport and fixed costs, partially offset by higher deliveries. On the other hand, the company Vianini Pipe, active in the production of precast concrete products, reported a 20% EBITDA increase compared to 2023.

Investments in 2024 amounted to EUR 7.7 million, of which EUR 5.8 million was allocated to the two cement plants for sustainability interventions, production rationalisation and extraordinary maintenance. Investments recognised as a result of IFRS 16 were EUR 3.6 million.

Türkiye

(EUR'000)	2024 (Non-GAAP)	2023 (Non-GAAP)	Change %
Revenue from sales	353,535	329,744	7.2%
EBITDA	78,999	74,834	5.6%
EBITDA Margin %	22.3%	22.7%	
Investments	21,677	22,358	

Revenues, at EUR 353.5 million, increased by 7.2% compared to 2023 (EUR 329.7 million), penalised by the 38% depreciation of the Turkish lira compared to the average euro exchange rate in 2023. Revenues in local currency increased by 48%.

Cement sales volumes in the domestic market increased by 9 per cent year-on-year due to significant growth in the Elazig and Kars regions, supported by post-earthquake reconstruction, which led to an increase in consumption of approximately 3.1 million tons in 2023 and 3.9 million tons in 2024.

In the Aegean region (Izmir), a slight decline in volumes was recorded, against a more significant market contraction, mainly due to the slowdown in some public investments.

In the Marmara region (Trakya), however, the contraction was more pronounced, due to the prolonged shutdown of production sites during the religious holidays in April and June, a general drop in demand due to economic and financial uncertainties, and the suspension of infrastructure projects, although the last quarter saw a recovery in construction in the ready-mixed concrete segment.

Cement and clinker exports also increased by 9% compared to 2023, although penalised by the lack of exports to Israel as a result of the embargo.

Ready-mixed concrete volumes increased by 19% compared 2023, supported by post-earthquake reconstruction, particularly in the Eastern Anatolia and Mediterranean regions, despite the cold temperatures in the last two months of the year. Part of this growth was driven by the opening of three new plants during 2024, one in the Aegean region, one in Eastern Anatolia and one in the Marmara region.

Aggregate sales increased by 34% year-on-year thanks to the full-year contribution of the new quarry in Malatya, Eastern Anatolia, which started operations in July 2023, as well as increased demand.

The waste sector reported 72% and 88% higher revenues and EBITDA in local currency, respectively, than in 2023, due to increased volumes and prices of alternative fuels (RDF), collection of materials for fuel production, and increased quantities sent to landfill.

Overall, the region's EBITDA was EUR 79.0 million, up 5.6% from EUR 74,8 million in the previous year. It should be noted that EBITDA includes EUR 6.9 million for non-recurring income paid by Cementir Holding, which had no impact on the consolidated result. In addition, the 2023 EBITDA included non-recurring income from capital gains on land sales of about EUR 4.2 million. Net of these non-recurring effects, EBITDA increased by 1.9% compared to 2023, with cement and ready-mixed concrete segment shrinking slightly, also because of the depreciation of the Turkish lira, whilst aggregates sector grew.

Investments amounted to EUR 21.7 million, of which approximately EUR 10.6 million in cement, mainly in the Izmir and Trakya plants and EUR 8.7 million in ready-mixed concrete, and mainly concerned investments accounted for on the basis of IFRS 16 relating to ready-mixed concrete transport vehicles (EUR 7.7 million). Investments in the waste treatment sector amounted to EUR 2 million and mainly concerned the expansion of landfill capacity.

Egypt

(EUR'000)	2024	2023	Change %
Revenue from sales	46,264	50,255	-7.9%
EBITDA	16,874	12,539	34.6%
EBITDA Margin %	36.5%	25.0%	
Investments	7,650	2,878	

Sales revenues amounted to EUR 46.3 million, down 7.9% compared to EUR 50.3 million in 2023, mainly due to the 47.5% devaluation of the Egyptian pound compared to the average exchange rate of the Euro in 2023. Revenues in local currency actually increased by 35.8%.

In addition, revenues were affected by a different geographical mix of exports and a 9% drop in volumes in the domestic market, due to the weakness of the residential sector and the cutting or postponement of some large public projects.

Exports, on the other hand, grew by 7% compared to 2023, with a different geographical mix: higher deliveries in Europe, Africa and the United States, and lower in the Middle East.

EBITDA increased by 34.6% to EUR 16.9 million (EUR 12.5 million in 2023), thanks to higher selling prices, partially offset by higher variable and fixed costs, and the devaluation of the Egyptian pound.

Investments in the period amounted to approximately EUR 7.6 million and were mainly related to costs for the reactivation of the second clinker kiln, expected by February 2025. Investments accounted for under IFRS 16 amounted to EUR 2.8 million for transport vehicles and passenger cars.

Asia Pacific

(EUR'000)	**2024**	**2023**	**Change %**
Revenue from sales	104,537	121,440	-13.9%
China	*55,108*	*68,053*	*-19.0%*
Malaysia	*50,221*	*54,207*	*-7.4%*
Eliminations	*(792)*	*(820)*	
EBITDA	21,240	26,879	-21.0%
China	*13,261*	*18,524*	*-28.4%*
Malaysia	*7,979*	*8,355*	*-4.5%*
EBITDA Margin %	*20.3%*	*22.1%*	
Investments	4,249	7,209	

China

Sales revenue decreased by 19% to EUR 55.1 million (EUR 68.1 million in 2023), as a result of a 15% drop in sales volumes, a reduction in prices, and the 1.7% devaluation of the Chinese Renminbi against the average Euro exchange rate in 2023.

The Chinese economy recorded a GDP growth of 4.8% in the first nine months of 2024. Following the Federal Reserve's rate cut, the Chinese government introduced measures to boost the economy, including rate cuts and relief on real estate financing. Further fiscal and financial measures were announced in October. However, cement production fell by double digits in 2024, after reaching its lowest level in the last 13 years in 2023, with producers increasing exports at competitive prices to reduce excess stocks. Sales were also adversely affected by adverse weather conditions.

EBITDA decreased by 28.4% to EUR 13.3 million (EUR 18.5 million in 2023), due to lower sales volumes and prices, higher transport and fixed costs, only partially offset by energy savings. It should also be noted that the 2023 EBITDA included non-recurring income from the sale of machinery and other non-recurring expenses of about EUR 1 million. Excluding non-recurring items, EBITDA decreased by 24.2%.

Investments in 2024 amounted to approximately EUR 1.8 million, earmarked for projects aimed at improving the functionality and efficiency of the plant, as well as extraordinary maintenance interventions.

Malaysia

Sales revenue decreased by 7.4% to EUR 50.2 million (EUR 54.2 million in 2023) due to lower sales volumes and prices of exported clinker and lower cement sales to Australia.

The economic crisis in China, characterised by extraordinary events in the construction sector, also affected the major economies of South East Asia.

Sales volumes in the domestic market were up slightly, thanks in part to a good month of December, with major customers busy replenishing their stocks. However, large projects were delayed due to high interest rates on mortgages, which is also causing increased competition and consequent pressure on sales prices.

Cement and clinker exports remained broadly stable, with an increase in deliveries to the Philippines, Vietnam and South Korea, offset by a decline to Australia, Cambodia, China, Bangladesh and Myanmar. In Australia, after a promising first quarter, the construction sector slowed from the second quarter, especially in the residential segment, with exports also affected by high transport costs and a shortage of ships.

The Malaysian ringgit was in line with the average Euro exchange rate of 2023.

EBITDA reached EUR 8 million, a decline of 4.5% compared to 2023 (EUR 8.4 million). Lower sales prices, also influenced by the export mix and exchange rate developments, were only partially offset by the increase in savings on variable costs, especially fuel.

Investments in 2024 amounted to approximately EUR 2.5 million and involved projects to improve the functionality and efficiency of the plant, and extraordinary maintenance interventions.

Holding and Services

(EUR'000)	2024	2023	Change %
Revenue from sales	148,596	204,492	-27.3%
EBITDA	(10,289)	2,529	n.m.
EBITDA Margin %	-6.9%	1.2%	
Investments	6,018	4,030	

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The decrease in revenues and EBITDA is due to lower traded volumes, in particular of clinker, cement and fuels brokered by Spartan Hive. Extraordinary charges of about EUR 11 million were recognised in 2024, of which EUR 6.9 million were paid to Cimentas, thus not impacting consolidated results, and about EUR 4 million related to the valuation and disposal of non-industrial real estate.

INVESTMENTS

In 2024, the Group made total investments of approximately EUR 171.3 million (EUR 147.9 million in 2023), of which approximately EUR 38.5 million in sustainability and EUR 45.9 million (EUR 43.9 million in 2023) related to the application of IFRS 16.

Investments included EUR 121.9 million in the cement sector, EUR 27.1 million in ready-mixed concrete, EUR 12.3 million in aggregates and EUR 10 million for other business sectors.

The breakdown by asset class shows that EUR 167.2 million (EUR 142.8 million in 2023) relates to property, plant and equipment and EUR 4.1 million (EUR 5.1 million in 2023) to intangible assets.

RESPONSIBILITIES IN RESPECT TO THE ANNUAL REPORT

The Board of Directors is responsible for preparing the Annual Report, inclusive of the Consolidated and Company Financial Statements and Directors' Report, in accordance with Dutch law and IFRS Accounting Standards as issued by the International Accounting Standards Board and as adopted by the European Union (EU-IFRS).

In accordance with Section 5:25c, paragraph 2 of the Dutch Financial Supervision Act, the Board of Directors states that, to the best of its knowledge, the Financial Statements prepared in accordance with IFRS as adopted by the European Union (EU-IFRS) provide a true and fair view of the assets, liabilities, financial position and profit or loss for the year of the Company and its subsidiaries and that the Directors' Report provides a true and a fair view of the performance of the business during the financial year and the position at balance sheet date of the Company and its subsidiaries, developments during the year, together with a description of the main risks and uncertainties that the Company and the Group face.

KEY EVENTS OF THE YEAR

2024 ended with an EBITDA of EUR 407.3 million (EUR 411.1 million in 2023). The cash flow generated by operating activities and the control of working capital made it possible to close the year with net cash of EUR 290.4 million (net cash of EUR 217.6 million as at 31 December 2023), which includes the debt position of EUR 90.8 million (EUR 82.3 million as at 31 December 2023) resulting from the application of IFRS 16.

On 8 February 2024, the Parent Company's Board of Directors approved the update of the 2024-2026 Business Plan, to whose press release please refer (www.cementirholding.com in the Investors, Press Releases section).

In April 2024, the Group acquired a ready-mixed concrete plant and a minority stake in a second plant in Denmark for a total outlay of approximately EUR 18 million.

During May, dividends of EUR 43.5 million were paid as per the resolution of the General Meeting when the 2023 financial statements were approved.

In June 2024, the rating agency Standard and Poor's confirmed the BBB- rating with a stable outlook.

On 13 August 2024, the wholly-owned subsidiary Aalborg Portland Holding A/S acquired an additional 25.40% stake in Sinai White Portland Cement Co. SAE from Sinai Cement Company, a subsidiary of the Vicat Group, for approximately EUR 30 million. Following this transaction, Cementir indirectly holds 96.5% of the share capital of the Egyptian subsidiary.

On 22 October 2024, the consortium formed by Aalborg Portland, a subsidiary of Cementir Holding, and Air Liquide was selected by the European Commission to receive a non-repayable grant of EUR 220 million under the EU Innovation Fund. The project foresees that at the Aalborg plant in Denmark, one of the first fully onshore carbon capture and storage (CCS) systems in Europe will be built by 2029, with the aim of reducing CO2 emissions by approximately 1.5 million tons per year.

With reference to the ongoing conflicts in Ukraine and the Middle East, the directors did not identify any direct significant impact on the Group and the financial statements.

INNOVATION, QUALITY, RESEARCH AND DEVELOPMENT

The Cementir Group conducts applied research to support sustainability, innovation, product development, and possible new solutions.

These activities are carried out in close collaboration with customers, business partners, academia, and other stakeholders in the construction industry and society.

In 2024, the Cementir Group, as founder and member of the steering committee, continued to work on the Innovandi project actively, a world-class cement and ready-mixed concrete industrial-academic research network made up of 30 global companies in the cement-additives-ready-mixed concrete value chain together with 40 scientific institutes.

To meet the new challenges of the "Cementing the European Green Deal"-2020 defined by the EU in terms of further reducing CO_2 emissions, the focus of the Group's research activities has been to develop projects and investigate further innovative product and process solutions and systems to enable a sustainable production transition. From 2020, all processes, product, and innovation activities were translated into a 10-year roadmap with ambitious Group sustainability targets with a primary focus on European markets subject to the ETS (Emission Trading System), then extended to all reference markets. 2023 and 2024 were marked by implementing key projects in the roadmap.

In 2024, the Cementir Group continued to participate in the “Circular Concrete” project in Denmark, whose main aim is to develop technologies to maximize the utilization of recycled aggregates in concrete.

In 2024, in line with the decarbonization of the Aalborg White® product range, a new D-Carb® brand product was developed and placed on the market, with a 15% lower CO2 footprint than the reference Portland cement while maintaining the same performance at short curing

In Turkey, the sustainable transition was based on the gradual transition from Portland cement to composite cement in all plants in the country.

In Benelux and France, CCB continued 2023 the transition from CEM I to CEM II for precast ready-mixed concrete applications. While for ready-mixed concrete, the focus has shifted to mixed cements. R&D expenses to be reported according to Art. 2:391.2 DCC, amounted to approximately EUR 2 million (EUR 2 million in 2023).

Product innovation and new solutions

The Group decided to take on the challenge of meeting the growing demand for innovative, sustainable, and high-value-added offerings. Product innovation and new solutions in the Cementir Group is an integral part of InWhite Solutions® that involves the entire Group.

The overall goal is to expand the Group’s product market and increase market share within the entire value chain, while supporting the path to sustainability.

As of 2019, the Cementir Group has strengthened its position in the ultra-high performance concrete segment, in particular, in the European market with premixed solutions using UHPC (Ultra High Performance Concrete) technology: AALBORG EXTREME® Light 120 and AALBORG EXCEL®.

While AALBORG EXTREME® Light 120 is intended for use in structural and semi-structural applications, AALBORG EXCEL® is intended for architectural applications, such as exclusive façade cladding.

After the initial focus on the European market, the Cementir Group has extended its sales perimeter to include China, Australia and the Asian area, given the growing interest in UHPC technology demonstrated by the market and confirmed by trends in the construction sector.

Since the end of 2023, InWhite solutions have also been produced in the premixed section of the Malaysia plant. Also available from the end of 2023 is a new product, InBind®, a cement binder for UHPC applications.

Following the Group's customer-centric approach, specific product development activities were launched and implemented in all regions to meet market needs for various applications and support them in their sustainable transition.

From January 2021, the Group, through its subsidiary Aalborg Portland, has launched the first FUTURECEM® cement on the Danish market. The new product was favourably received by the market as a solution to produce a low-emission ready-mixed concrete. Underpinning the product's success are its suitability for the intended applications, performance and continuous dialogue with the entire value chain, as well as strategic partnerships with leading construction companies. The roll-out of FUTURECEM® cement continued at our subsidiary in CCB - Belgium, where the cement was marketed in France in 2022. Since 2023, following the certification for use in ready-mixed concrete (ATG), FUTURECEM® cement has also been sold in Belgium.

For the French market, in cooperation with customers, FUTURECEM® has been tested and used in a wide range of applications, from ready-mixed concrete to precast elements.

FUTURECEM® is also part of the research project "B40 blocks for low-carbon concretes" conducted by CERIB-Centre d'études et de recherches de l'industrie du béton.

In the context of lowering CO2 consumption in Turkey, the sustainable transition was based on a gradual switch from Portland cement to type II composite cements in all plants in the country.

In Benelux and France, CCB completed the transition from CEM I to CEM II for precast ready-mixed concrete applications in 2024. Also in 2024, cement II C was launched, available both in bags and loose for ready-mixed concrete.

In 2024, in line with the decarbonisation of the Aalborg White® product range, a new D-Carb® brand product was developed and placed on the market, with a 15% lower CO2 footprint than the reference Portland cement, while maintaining the same performance at short curing. The aim is to expand the range of low-emission solutions under the D-Carb® brand for the white product portfolio with a global geographic coverage starting in Europe.

Research Centre

The Research and Quality Centre (RQC) is the Group’s central quality section. The center has a laboratory with state-of-the-art equipment, including instruments for mineralogical analysis of materials, such as the scanning electron microscope and powder X-ray diffractometer. These specific instruments allow for a wide range of testing and analysis of materials, alternative fuels, cement, and ready-mixed concrete. The laboratory is the benchmark for the whole Group; it runs a cross-checking program that is the key to maintaining accuracy and precision in our local laboratories. The lab provides them with calibration samples and, at regular intervals, receives samples of raw materials, fuels, alternative fuels, clinkers, and cement from individual plants to assess process efficiency and support the plants. Advanced analytical equipment enables prompt responses and troubleshooting, as well as ensures continuous improvement in process efficiency and product quality in each plant.

The RQC operates a global quality system to ensure uniform and consistent quality across the Group's plants. The system involves continuous online monitoring to check the quality of all products, continuous control (via cross-checking) of the instruments used in local laboratories, a system of guidelines and procedures that can be consulted online, which support the setting up of quality assessment models and improve the sharing of best practices.

RQC also supports innovation and customer service. The center's experts are specialists in cement chemistry, mineralogy, concrete technology and white cement application. In addition to research, the center offers customers technical support for all types of ready-mixed concrete and cement-based products and training for new employees and actively participates in group initiatives.

At the global level, experts at the RQC help sales staff provide highly skilled assistance to the Group's customers. Research and quality skills, therefore, translate into high-value products and services for customers.

Quality

Quality is one of the main objectives pursued by the Group. The CON-CQ Concept (CONsistent Cement Quality) policy is currently implemented in all plants, defining a quality management and control system, as well as roles and responsibilities. The quality KPIs necessary to provide the right product for each application are defined starting from the Voice of Customers. Based on an in-depth understanding of the impact on product performance of raw materials, fuels, and the production process, Group companies can ensure the highest quality and stability of the types of cement they produce.

The GRQCC Corporate Function (Group Research & Quality Competence Centre) defines best practices, guidelines, and quality procedures standards to all the Group's plants. Periodic meetings are held with the participation of the corporate and individual plants where the results obtained are discussed, improvements needed to achieve the set targets are evaluated, investments and ongoing projects are assessed, and DOQs (Declaration of Quality) are reviewed. Internal audits are carried out yearly to improve quality performance and implement and improve controls and feedback. Every year, the performance of the plants is also evaluated through the Quality Score Cards (QSCs).

The purpose of QSCs is to measure the performance of all quality aspects, from raw material extraction and sourcing to customer satisfaction. This is done by scoring each topic based on predefined criteria. These criteria may be based on a quantitative performance measure against a KPI or, as appropriate, a more qualitative assessment. All establishments in cooperation with GRQCC must complete or update the scorecard annually.

Quality and Production Seminars are held annually for the grey and white sectors. In these seminars, the results obtained during the year by the various plants are presented, the results of the projects are shared, and new ones are presented. The latest activities are discussed, and the technical upgrades are shared. Specific workshops are also held to discuss the case studies presented.

In 2024, a similar quality control system was developed for Cementir Holding's ready-mixed concrete companies with a pilot project in Belgium. In 2025, QSCs will be implemented in the companies in Denmark and Norway. One of the selected KPIs for ready-mixed concrete is the GWP (Global Warming Potential), which defines the amount of CO2 emitted for the same mechanical properties by a specific concrete recipe used. This allows the Group to monitor and improve the environmental impact of the concretes it produces.

INFORMATION SYSTEMS

The Information Technology department implemented initiatives to support the Group's digital transition with activities related to applications and technological tools in all business sectors and geographical areas. In this context, it further strengthened its organisational and governance model based on the centralisation of managerial and decision-making responsibilities and focused on transforming the way of working by supporting the revision and standardisation of operational processes with Group solutions and services that are globally harmonised, technologically advanced and data driven.

In the area of technology, 2024 was a year of continuity and further development for the consolidation and modernisation of the infrastructure. The activities carried out ensured that high standards were maintained in terms of both reliability and innovation. In fact, the multi-year modernisation project in Nordic & Baltic was successfully completed, and work started on a similar project in Turkey. Work on the industrial network continued, and a second phase is being considered that will include the implementation of even more advanced security measures.

During the second half of the year, a thorough review of the current Cloud Data Centre solution was initiated and completed, identifying upgrade actions aimed at further improving efficiency and reliability. The technology renewal plan, which was chosen after this study, will be implemented during the first half of 2025 and will form the foundation of the Group's infrastructure for the foreseeable future.

Overall, 2024 was a crucial year to maintain and strengthen the robustness of the Group's IT infrastructure, focusing on innovation, security and optimisation.

On the cybersecurity front, the replacement of the XDR (Extended Detection and Response) solution was completed, and the Security Operations Centre (SOC) service was extended, ensuring wider coverage and constant threat monitoring. The solutions in use have been kept up to date with the latest available version, ensuring maximum operational effectiveness. Penetration testing initiatives conducted during the year yielded positive results, with corrective actions implemented in a timely manner based on the vulnerabilities that emerged. Worth mentioning is the retention of the “Advanced” level (the highest available), awarded by the Cyber Security rating agency, despite more stringent evaluation criteria.

Year 2024 also saw significant efforts to explore the potential of Artificial Intelligence. Several prototypes have been realised and have provided very promising results. Some solutions have already entered production, with areas of application in both cybersecurity and individual productivity.

The portfolio of Group and local initiatives to support the execution of the business plan was also completed with very limited impact on implementation times. Its common denominator remains the gradual streamlining of the application stack and the use of SAP as a pivotal system of the Group processes execution. In addition, a small number of non-SAP applications were selected to complete the process coverage required for business operations and development.

The Business Process Reengineering Program was the project vehicle for the activities related to the optimisation and standardisation of business processes and the resulting interventions on applications. The main focus was on Purchasing and Maintenance processes, with the deployment of solutions for managing subcontracting in plants and the implementation of catalogue purchasing, as well as the deployment of remote document flow management solutions. In addition, the completion of the detailed analysis of purchasing processes allowed the start of the Gap Analysis phase to identify the actions necessary for the standardisation of processes on supporting systems, an activity that will be implemented in 2025. Finally, master data management procedures were completed and formalised, both in terms of process execution and governance.

The completion of the above process design also enabled the design of authorisation profiles in SAP to ensure compliance with role segregation guidelines and more effective control during audits.

Other relevant project activities on applications included: the implementation in SAP of the new Aggregates Business in North America, the implementation of a new company in Malaysia, the completion of the extension of the quality management module to China, the customer portal for Aggregates in Belgium, the legally required electronic invoicing functionality in Malaysia, the extension of medium and long term SOP functionality on SAP in North America, Malaysia and China.

The use of Process Mining continued and expanded geographically. In 2024 it was applied in the first place to support the already mentioned Business Process Reengineering Program, and more extensively to the purchasing, payment, sales and maintenance processes, identifying possible areas for improvement and suggesting actions and intervention plans implemented during the year.

In the area of Business Intelligence, the planned project to define the new solution for consolidating corporate data sources was completed and the prototype based on the new infrastructure was designed. This will act as a catalyst for the future adoption of artificial intelligence, enabling faster and more efficient hypothesis testing and model implementation.

Year 2025 will therefore be the period in which the selected new technologies will be tested and implemented to optimise and simplify back-end data processes. The new data stack will include all the functionalities of a modern consolidated Data-Lakehouse. We expect greater efficiency in data operations, reducing the time to market of report development. The orchestration of data streams will also be managed, ensuring a faster and more reliable data pipeline with less need for maintenance. The democratisation of data will be facilitated, allowing business users and analysts to autonomously access data and create ad hoc reports. In addition, the architecture enables artificial intelligence applications, such as Retrieval Argument Generation (RAG) to enrich generative artificial intelligence and machine learning algorithms, as well as enabling the use of advanced analytics.

Keeping up with the implementation of AI will become increasingly crucial to maintaining competitiveness. Data and processes have become differentiators, so Cementir's ability to implement AI quickly and efficiently will become a strategic parameter, of which a modern data back-end is a key pillar.

HEALTH, SAFETY AND ENVIRONMENT

Health and safety

During 2024, no fatal or serious accidents occurred among employees.

We consolidated the positive trend recorded in previous years, in line with our industrial goals. The continuous monitoring of leading indicators helped us to better understand the effectiveness of the cultural improvement path undertaken, allowing us to refine its progress through targeted actions that mainly concerned leadership and employee involvement.

The main causes of accidents in 2024 were mostly related to events such as trips, slips and falls. During the year, specific initiatives were undertaken to increase the level of worker awareness and supervision and control activities in the field.

During the month of April, in conjunction with the celebrations of World Health and Safety Day, we carried out additional awareness-raising initiatives focused on communicating unsafe conditions and behaviour. Reporting such incidents helps to prevent accidents and injuries, identify root causes and corrective actions, and promote a safety culture based on awareness, responsibility and proactivity. The initiatives were widely attended by the workers.

We continued the implementation of planned improvement actions regarding our WASH - (Water, Sanitation and Hygiene) commitment made in 2023. We have worked to improve access to drinking water and sanitation for all workers at workplaces whose operational control is our responsibility.

Environment

Responsible and efficient management of water resources, minimisation and control of energy consumption, the use of alternative fuels (e.g. biomass) and the use of raw materials and components with a lower environmental impact are key elements of our sustainability strategy. The results for 2024 are substantially in line with the planned path.

We updated the water risk assessment at the individual cement plant level, according to the scenarios reported in the World Resources Institute (Aqueduct) information platform. Taking into account the industrial roadmap and the results achieved so far, we revised our 2030 targets towards a further step of improvement. At the Group level, compared to 2019 values, the target of reducing consumption in cement production was increased to 30% from the previous 20%. Consistent with the Aqueduct update, we also reviewed our pool of plants located in high water stress areas and recalculated consumption values, including the 2019 baseline. For these plants, the reduction target for 2030 is 25%, although starting from a situation of specific consumption that is substantially lower than the Group average.

The ISO 14001 certification plan, which is our management framework, continued with the aim of completing it for the cement sector by 2025. After the completion of Egypt, the related preparatory activities for certification for sites in the USA were started. To date, 82% of our cement plants are ISO 14001 certified.

In February 2025, Cementir was included for the first time in CDP's prestigious “A List”, a recognition of strategies and actions implemented to mitigate climate change and promote corporate transparency. This result underlines the significant progress Cementir has made in the four years since its initial “B” in 2020.

Cementir also maintained its leadership in water management by achieving a score of A- in CDP Water, for the third consecutive year.

HUMAN RESOURCES

Changes in the workforce

As at 31 December 2024, the Group's headcount stood at 3,082 employees, 37 more than at the end of 2023, mainly related to the expansion of the concrete production perimeter in Denmark.

Personnel costs increased by approximately EUR 9 million compared to 2023 but were lower than the budget for 2024. The change is mainly due to the adjustment of personnel costs with respect to rising inflation, as also provided for in many local trade union agreements, turnover and recruitment processes and, lastly, to the effects due to currency exchange rates.

Organisation

As of 31 December 2024, the Group's organisational model remained structured in the following territorial areas:

- Nordic & Baltic
- North America
- Asia Pacific
- Turkey
- Egypt
- Belgium

and Holding and Services, within which Spartan Hive acts as a dedicated business unit.

Amsterdam is the registered office of the Holding, while the Rome office is the secondary and operational headquarters.

Holding coordinates these regions and operating companies. The General Manager of the Group is entrusted with overseeing the main operating undertakings of the company, allowing the Group CEO to focus on business activities with a strategic impact, such as mergers and acquisitions.

During the year, the organisational structures were confirmed to guarantee certain key processes and to improve the overall efficiency of organisational structures through the application of standard organisational models, as well as to guarantee the filling of any vacancies to ensure business continuity.

The main organisational changes introduced during the year were:

- The inclusion of the position of ESG Reporting Manager dedicated to issues in the areas of Environmental, Social, Governance and the implementation of the guidelines dictated by the regulations on Corporate Sustainability Reporting (CSRD) with the allocation of activities within the perimeter of the Administration, Finance and Control Department;
- The introduction of Local Audit Managers in Turkey and Nordic & Baltic, in order to strengthen monitoring and control activities, ensuring an operational presence in the most impactful territorial areas;
- The acquisition in April in Denmark of a ready-mixed concrete plant from NB Beton;
  Extending the scope of Group Programme Management to process optimisation issues, with the aim of assessing, analysing and optimising business processes, promoting standardisation and harmonisation at Group level, also using Process Mining tools.

During 2024, the Group's commitment to the implementation of standard operating models (processes, organisation and systems) was confirmed with the “Maintenance 4.0” programme, which was ultimately extended to North America, in addition to the regions already covered, such as Asia Pacific (Malaysia and China), Nordic & Baltic, Turkey and Belgium. North America was also affected by the standardisation programme related to Cement Plant Warehouse activities with the “Warehouse 4.0” Programme, which had been initiated in previous years in Nordic & Baltic, Turkey and Belgium.

The scope of the "Business Process Re-engineering (BPR)" programme, aimed at the standardisation of processes and systems, as well as the sharing of best practices at Group level, was also extended to payment processes, with an *end-to-end view of the entire purchasing flow*.

The design part of the operational model was completed, as well as the drafting of Group guidelines, in line with the defined implementation roadmap.

Technological innovation continued to affect the entire organisation in a cross-cutting way through the increasingly widespread use of the digital signature system for signing internal and external documents, the extension of the new compensation & benefits system also for the management of salary review processes, as well as the extension of data mining systems for the operational monitoring of key performance indicators.

The Group HR Governance, which takes into account the digital and process developments that have taken place in recent years, and the Group master policy, which defines the management of the internal procedural system, have also been updated and published.

Regarding Talent Strategy, Remuneration, Internal Communication and Social Dialogue, please refer to section S1-2, about the Statement on Diversity Objectives please refer to section S1-1 and for the Reference Group and Market Positioning analysis refer to section S1-10.

CORPORATE GOVERNANCE

INTRODUCTION

As of 5 October 2019, Cementir Holding is a Dutch public limited company (*Naamloze Vennootschap*) with its registered office in Amsterdam, the Netherlands Zuidplein 36, 1077 XV and a secondary and operational office in Rome, Italy, at Corso di Francia No. 200.

The company's tax residence is in Italy.

The Company has been listed on the Milan Stock Exchange since 1955, currently in the Euronext STAR Milan segment.

Cementir Holding has elected the Netherlands as home Member State for the purposes of Art. 2(1) of the Directive 2004/109/EC of the European Parliament and the Council of 15 December 2004 (the so-called “Transparency Directive”).

The Company applies the Dutch Corporate Governance Code (hereinafter the “Code”) whose purpose is to facilitate, with or in relation to other laws and regulations, a sound and transparent system of checks and balances within Dutch listed companies and, to that end, regulate relations between the Board of Directors, its Committees and shareholders.

It is to be noted that the provisions of the Code primarily refer to companies with a two-tier board structure (consisting of a shareholder board and a separate supervisory board), while Cementir Holding. has implemented a one-tier board. The best practices reflected in the Code for supervisory board members apply therefore by analogy to Non-Executive Directors.

This report refers to the provisions and principles of the Code dated 22 December 2022 applicable from 2023 and available for download at the following address: https://www.mccg.nl/documenten/2022/12/20/corporate-governance-code-2022 (https://www.mccg.nl/documenten/2022/12/20/dutch-corporate-governance-code-2022 for the unofficial English version).

BOARD OF DIRECTORS

Composition and nomination of the Board of Directors

In compliance with the Company’s Articles of Association (hereinafter the “Articles of Association”), the Board of Directors may be made up of one or more Executive Directors and one or more Non-Executive Directors, providing that the total number of Directors is at least five and at most fifteen. The General Meeting of 20 April 2023 resolved, among other things, on the appointment and composition of the Board of Directors expiring with that General Meeting in accordance with the provisions of the Articles of Association set out below, also determining the number of members, reduced from 10 to 8.

The Board of Directors is currently made up of one Executive Director (Francesco Caltagirone, Chief Executive Officer or "CEO") and seven Non-Executive Directors (Alessandro Caltagirone and Azzurra Caltagirone, Vice Chairmen; Adriana Lamberto Floristan, Senior Non-Executive Director; Saverio Caltagirone, Fabio Corsico, Benedetta Navarra and Annalisa Pescatori).

The Directors are appointed by the General Meeting. Directors may be nominated for appointment:

- on a proposal of the Board; or
- to a proposal of one or more Shareholders, alone or together representing at least the 3% of the issued share capital, provided that the proposal has been notified to the Board in accordance with the requirements of Articles 8.3.4 and 8.3.5 of the Articles of Association.

The nomination must make it explicit whether a person is nominated for appointment as Executive Director or Non-Executive Director. A Director shall be appointed for a maximum period of three years, provided however that unless such Director has resigned at an earlier date, their term of office shall expire ultimately immediately after the close of the first General Meeting held after three years have lapsed since their appointment. A Director may be reappointed with due observance of the preceding sentence. By resolution of the General Meeting at the proposal of the Board, the maximum period of three years may be deviated from. The Board may draw up a retirement schedule for the Directors. At a General Meeting, a resolution to appoint a Director can only be passed in respect of candidates whose names are stated for that purpose in the agenda of that General Meeting or the explanatory notes thereto. The General Meeting may at all times suspend or dismiss a Director.

Convening meetings and agenda

Meetings are held as often as the Senior Non-Executive Director or the Chief Executive Officer or any two Directors jointly request, provided that there are at least four regularly scheduled Board meetings in each financial year.

Meetings are convened in a timely manner by the Senior Non-Executive Director, the Chief Executive Officer or the Vice-Chairman, or if each of them is absent or unable to act, by any Director. The notice sets out the meeting agenda. The Director convening a meeting sets the agenda for that meeting. Directors may submit agenda items to the Director(s) convening the meeting.

Meeting location

Meetings are normally held at the Company's secondary offices in Rome, Italy, but may also take place elsewhere.

Meetings may also be held by telephone, videoconference, or other means of electronic communication, provided that all participants can hear each other simultaneously. Directors attending the meeting by telephone or videoconference are considered present at the meeting.

Attendance

Each Director attends Board meetings and the meetings of the committees of which he or she is a member. If a Director is frequently absent from these meetings, this Director must account for these absences.

A Director may be represented at a meeting by another Director holding a proxy in writing or in a reproducible manner by electronic means of communication.

The Board may require that certain officers and external advisers attend its meetings.

The external auditor may attend the Board meeting at which the external auditor's report on the audit of the financial statements is discussed.

Chairman of the meeting

The Chief Executive Officer chairs the meeting. If the Chief Executive Officer is not present at the meeting, the Senior Non-Executive Director chairs the meeting. If both the Chief Executive Officer and the Senior Non-Executive Director are not present at a meeting, the Vice-Chairman chairs the meeting. If the Chief Executive Officer, the Senior Non-Executive Director and the Vice-Chairman are not present at the meeting, the Directors present at the meeting will designate one of them as chairman of that meeting.

In accordance with the provisions of the Articles of Association and the Board Rules, a non-executive and independent member, the Senior Non-Executive Director, serves as chairman of the meetings pursuant to and for the purposes of Dutch law (Art. 2:129a of the Dutch Civil Code) and in accordance with Best Practice provision 2.1.9. of the Code. In this regard, in such role, the Senior Non-Executive Director, inter alia, ensures that there is sufficient time for deliberation and decision-making by the Board and that directors receive timely all information that is necessary for the proper performance of their duties. In this capacity, the Senior Non-

Executive Director also collects and coordinates the requests and contributions of the Non-Executive Directors and more in particular of the independent directors. The Senior Non-Executive Director, in this capacity, plays a liaison role between the Executive and Non-Executive Directors and thus ensures the effective functioning of the Board as a whole.

Adoption of resolutions – quorum requirements

The Board may only adopt resolutions at a meeting if the majority of the Directors entitled to vote is present or represented at the meeting including at least one Executive Director, if the Executive Director is entitled to vote on matters being considered.

If the Chief Executive Officer believes there is an urgent situation that requires the Board's immediate resolution, the quorum requirement referred as above not apply, providing that:

- at least three directors are present, or represented by proxy, including at least one Executive Director who can validly express their vote on the matters considered; and
- reasonable efforts have been made to involve the other Directors in the decision-making.

The chairman of the meeting ensures that adopted resolutions are communicated to Directors not present at the meeting without delay.

Adoption of resolutions - majority requirements

Each Director has one vote. Where possible, the Board adopts its resolutions by unanimous vote. If this is not possible, the resolution is adopted by a simple majority of the votes cast. In the event of a tie vote the Chief Executive Officer has a casting vote. If there is insufficient agreement on a proposed resolution during the meeting, the chairman of the meeting may defer the proposal for further discussion or withdraw the proposal.

Meeting minutes

The Company Secretary or any other person designated as the meeting secretary prepares the meeting minutes. The minutes are adopted:

- by a resolution adopted at the next Board meeting; or
- by the chairman and secretary of the particular meeting, after having consulted the Directors present or represented at that meeting.

Adopting resolutions without holding a meeting

The Board may also adopt resolutions without holding a meeting, provided that such resolutions are adopted in writing or in a reproducible manner by electronic means of communication, and all Directors entitled to vote consented to adopting such resolutions without holding a meeting.

Role of the Board of Directors

The Board of Directors is responsible for the overall conduct of the Cementir Group and has the powers, authorities and duties vested in it by and pursuant to the relevant laws of the Netherlands and the Articles of Association. In all its dealings, the Board shall be guided by the interests of the Cementir Group as a whole, including but not limited to the Company's shareholders and also taking into account the interests of relevant stakeholders. The Board has the final responsibility for the management, direction and performance of the Company and the Cementir Group.

Pursuant to Art. 7.5.1 of the Articles of Association the Board is authorised to represent the Company.

The Board has allocated duties and powers to the Directors by Board Rules approved pursuant to Art. 7.1.5 of the Company's Articles of Association on 5 October 2019 and subsequently last amended on 27 April 2023, available on the Company's website.

Without limiting the scope of the Board's role, the ongoing items to be considered and decided upon by the full Board include:

- reviewing and approving (any material amendment to) the business plan;
- reviewing and approving (any material amendment to) the Budget;
- ensuring the Cementir Group's compliance with applicable laws and regulations;
- proposing the Dutch statutory management report and financial statements for adoption by the General Meeting;
- approving decisions as required under Dutch law; and
- discussing and approving the strategies for the shaping of the portfolio and direction of the Cementir Group, including the strategy for realising long-term sustainable value creation.

At least once a year, the full Board shall discuss:

- the functioning of the Board of Directors, the Chief Executive Director, the Senior Non-Executive Director and the other directors; and
- the corporate strategy of the Cementir Group, the risks of the business and the assessment by the Board of the structure and operation of the internal risk management and control systems.
- The Board of Directors also resolves:
- on the proposed suspension of any director and the suspension of the Executive Directors, without the presence of the director concerned;
- on the creation or discontinuation of any material business activities;
- on the payment of dividends or other distributions to shareholders (other than a member of the Cementir Group) or the repurchase or redemption of securities or indebtedness of any member of the Cementir Group (other than that held by a member of the Cementir Group);
- on the change of the Company's auditors;
- as the case may be, to liquidate, initiate any bankruptcy, dissolution or winding up proceedings, moratorium or suspension of payments (or any similar proceedings in the relevant jurisdiction) in respect of the Company or any significant Cementir Group company, unless Directors are required to do so by applicable law;
- recommending a public offer for shares in the Company.

The table below shows the personal information of each Director holding a position in Cementir Holding during 2024 in compliance with Best Practice provision in 2.1.2 of the Code. The "Other Positions" pursuant to Best Practice provision 2.4.2 of the Code can be found in the Curriculum Vitae of each Director, available on the Company's website [Board of Directors | Cementir Holding N.V.]

Table A - Personal Information *

Name, date of birth, gender, nationality	Position	First appointment	Date of current appointment or reappointment	End of current term
Francesco Caltagirone 29/10/1968, M, Italian	Executive Director (*Chief Executive Officer and Chairman*)	27 June 1995	20 April 2023	AGM 2026
Alessandro Caltagirone 27/12/1969, M, Italian	Non-Executive Director (*Vice-chairman*)	10 May 2006	20 April 2023	AGM 2026
Azzurra Caltagirone 10/03/1973, F, Italian	Non-Executive Director (*Vice-chairman*)	10 May 2006	20 April 2023	AGM 2026
Saverio Caltagirone 03/03/1971, M, Italian	Non-Executive Director	22 May 2003	20 April 2023	AGM 2026
Fabio Corsico 20/10/1973, M, Italian	Non-Executive Director	15 January 2008	20 April 2023	AGM 2026
Adriana Lamberto Floristan 11/09/1973, Spanish F	Senior Non-Executive Director	21 April 2021	20 April 2023	AGM 2026
Benedetta Navarra 24/03/1967, F, Italian	Non-Executive Director	20 April 2023	20 April 2023	AGM 2026
Annalisa Pescatori 20/07/1964, F, Italian	Non-Executive Director	20 April 2023	20 April 2023	AGM 2026

* The official gender is reported in the absence of notification of a different gender identity.

Three Non-Executive Directors of the Company are qualified as independent for the purposes of the Code: Adriana Lamberto Floristan, Benedetta Navarra and Annalisa Pescatori.

There are no representatives of employees or other workers on the Board of Directors of the Company.

The following table summarises general information on the number and percentage of executive, non-executive, independent members, employee representatives and their respective gender.

Table A-bis - General information on the composition of the Board of Directors

Category	No.	% BoD	No. Women	% Women	No. Men	% Men
Executive Director(s)	1	12.5%	0	0%	1	100%
Non-Executive Director(s)	7	87.5%	4	57%	3	43%
Total BoD	8	100%	4	50%	4	50%
Independent directors	3	37.5%	3	100%	0	0%
Workers' representatives	0	N/A	N/A	N/A	N/A	N/A

During 2024, 5 meetings of the Board of Directors were held, in which the Board of Directors, among other things:

- examined and approved the preliminary consolidated results for the fourth quarter of 2023 and for the year ended 31 December 2023;
- examined and approved the 2024 budget and the update of the 2024-2026 Business Plan. In this context, in particular, the Board examined and discussed the strategic vision underlying the 2024-2026 Business Plan

proposed by the CEO and, in its integrated composition of Executive and Non-Executive Directors, shared and approved this strategy, participating in the definition of sustainable long-term value creation;
- examined and approved the financial statements for the year ended 31 December 2023, preceded by the approval of the impairment test, and also approved the Cementir Group's Sustainability Report - Non-Financial Statement 2023 with the related materiality matrix, the Corporate Governance Report pursuant to the Code and the Remuneration Report pursuant to the Code and articles 2:135(a) et seq. of the Dutch Civil Code, convening the annual General Meeting;
- examined and approved the quarterly financial results of the Cementir Group and the half-year financial report;
- examined and approved the Internal Audit plan for the year 2025 and the Group's risk assessment, in which the risks associated with the strategy and activities of the Company and its subsidiaries were identified and analysed, in particular the strategic, financial, operational, compliance and sustainability risks, and specific and separate information was provided on the risks related to climate change and the energy transition, which were therefore a further opportunities for discussion and in-depth analysis of sustainability issues within the Board;
- reviewed the performance and procedures of the Board itself and its Committees, assessing their size and composition, also in consideration of professional experience, management expertise, gender;
- verified the diversity targets for 2023 and also defined the diversity and inclusion targets for the Board and senior management for 2024;
- approved the policy for the regulation of lobbying activities and political contribution, the Audit Manual and the Internal Audit Charter, and updated the procedure for handling and disseminating inside information and the Internal Dealing Code.

In line with the suggestions arising from the Board's annual self-assessment, Board meetings were opened with a brief introductory presentation by the Chairman on the current geopolitical situation, strategic issues and/or potential risks facing the Company, as a useful tool to provide Directors with a better visibility and understanding of the Company's business, in particular with regard to issues of general interest and specific events that had occurred in the period between Board meetings, linking them into a single, coherent context and providing an additional stimulus for discussion.

The table below shows the attendance of each Director to the board meetings and also the attendance of the members to the Audit Committee and Remuneration and Nomination Committee and Sustainability Committee meetings.

Table B - Attendance

Director	Board of Directors	Audit Committee	Remuneration and Nomination Committee	Sustainability Committee
Francesco Caltagirone	4/5	N/A	N/A	3/3
Alessandro Caltagirone	4/5	N/A	N/A	N/A
Azzurra Caltagirone	5/5	N/A	N/A	N/A
Saverio Caltagirone	5/5	N/A	N/A	N/A
Fabio Corsico	4/5	N/A	N/A	N/A
Adriana Lamberto Floristan	5/5	4/4	3/3	3/3
Annalisa Pescatori	5/5	4/4	3/3	3/3
Benedetta Navarra	5/5	4/4	3/3	3/3

Education, training and induction activities for the Board of Directors

The Company shall ensure that it carries out continuous training activities, in accordance with Best Practice provision 2.4.5 of the Code, also taking into account the results of the annual assessment provided for by Best Practice provision 2.2.8 of the Code.

Since 2020, the comprehensive training offered by the Cementir Academy to Cementir Group employees has been extended to board members. Among the courses, offered in micro e-learning mode, are those on fraud management, whistleblowing, human rights, cybersecurity, GDPR (Data Protection Regulation (EU) 2016/679), Code of Ethics, 231 Models, Diversity Equity & Inclusion. The insider information course has been in place since as early as 2019. The course list is designed to be continually updated and expanded. Since 2024, to emphasise the Company's commitment to sustainability, the course list has been expanded with a course on ESG issues, aimed at deepening the current position and outlining the Group's ESG objectives, showing strategies to achieve them with the intention of taking urgent action in this area. A course on tax offences was also added.

In 2024, Cementir Holding organised a visit to one of the Group's main plants, in Aalborg, Denmark, for the board members, as also requested during the board's annual self-assessment process. Such an initiative had already been implemented in 2019, then suspended from 2020 due to the pandemic.

During the financial year, an in-depth induction programme was prepared for directors, this year focusing on the new Corporate Sustainability Reporting Directive (“CSRD”), cybersecurity and the sustainable transition within Group’s products & solution portfolio, also in response to requests raised during the self-assessment.

Succession plan

Pursuant to Best Practice Provision 2.2.4 of the Code, the Company by resolution of the Board on 27 July 2022, upon the favourable opinion of the Remuneration and Nomination Committee, adopted the succession procedure (hereinafter the “Succession Plan”) regulating the process to be followed in the event of the appointment of a member of the Board of Directors. In particular, the Procedure describes the timing, actors and actions to be taken for the appointment both when the term set by the General Meeting of the Company for the office of director of the Company is approaching expiry, and in the event of the early termination of Executive or Non-Executive Directors for any reason with respect to the term of office. The contingency plan with temporary management pending the final replacement by the General Meeting is also described.

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Executive Director is responsible for the ordinary and extraordinary management of the Company with the widest powers to the maximum extent permitted by the applicable law, developing and setting the Company’s objectives and strategy, overseeing the associated risk profile and addressing corporate social responsibility issues that are relevant to the Company.

The Executive Director also discusses the effectiveness of the design and operation of the internal risk management and control systems with the Audit Committee and renders account of this to the Board.

Only one Executive Director has been appointed who is also automatically Chief Executive Officer and Chairman pursuant to Art. 2.3.4 of the Company’s Board Rules and Art. 7.1.2 of the Articles of Association, without prejudice to the role of the Senior Non-Executive Director under Dutch law.

The Chief Executive Officer is primarily responsible for the day-to-day management of the Company with each and every power of ordinary and extraordinary administration of the Company, to the maximum extent permitted by the applicable law, including, without limitation, the following tasks and responsibilities:

- the operational management of the Company;
- the profit responsibility of the Company and the Cementir Group’s enterprises;

- setting performance targets for the Cementir Group;
- managing the business performance of the Cementir Group;
- examining, analysing and proposing to the Board strategic business opportunities that can contribute to the further growth of the Cementir Group;
- compliance with all relevant laws and regulations, the Articles of Association and good corporate governance practice;
- executing the decisions of the Board;
- determining the objectives to be achieved by the Board; and
- communicating with all relevant stakeholders of the Company, the media and the public; and
- preparing the Company's annual accounts as referred to in Art. 2:361 BW.

Pursuant to Art. 7.5.1 of the Articles of Association and Art. 2.4.3 of the Board Rules, the Chief Executive Officer is authorised to represent the Company.

The Executive Directors can be appointed for a maximum term of three years and can thereafter be reappointed, with due observance of the Articles of Association.

In accordance with Art. 7.2.8 of the Articles of Association and Art. 2.6 of the Board Rules, if the seat of the Executive Director is vacant or he is unable to act, the Non-Executive Directors will temporarily be entrusted with the executive management of the Company, unless the Board provides for a temporary replacement.

SENIOR NON-EXECUTIVE DIRECTOR AND VICE CHAIRMAN

The Senior Non-Executive Director is primarily responsible for ensuring that:

- there is sufficient time for deliberation and decision-making by the Board;
- the Directors receive all information that is necessary for the proper performance of their duties in a timely fashion;
- the Board and its committees function properly;
- the Board designates one of the Non-Executive Directors as Vice-Chairman;
- the performance of the Directors is assessed at least annually:
- the Directors follow their introduction, education or training programme;
- the Board performs activities in respect of culture;
- signs from the Business are recognised and any actual or suspected material misconduct and irregularities are reported to the Board without delay; and
- effective communication with shareholders is assured.

Anyone who previously held the office of Executive Director cannot hold the position of Senior Non-Executive Director.

The Senior Non-Executive Director must be independent pursuant to Best Practice provision 2.1.8 of the Code and cannot be chairman of the Audit Committee or the Remuneration and Nomination Committee.

The Board of Directors of 27 April 2023, following the appointment of the Board of Directors with the General Meeting resolution of 20 April 2023, appointed the Non-Executive Director Adriana Lamberto Floristan as Senior Non-Executive Director with the role of chairing the Board of Directors pursuant to Dutch law (Article 2:129a of the Dutch Civil Code), in compliance with Best Practice provision 2.1.9 of the Code and in compliance with the Articles of Association and Art. 2.3.7 of the Board Rules.

The Board may appoint one or more Vice-Chairmen and determine their term of office. The Vice-Chairman deputises for the Senior Non-Executive Director in the event that the position of Senior Non-Executive Director is vacant or if the Senior Non-Executive Director is unable to act.

The Vice-Chairman shall act as point of contact for Directors concerning the functioning of the Senior Non-Executive Director.

NON-EXECUTIVE DIRECTORS

The Non-Executive Directors supervise the Executive Director's policy and performance of duties, the Company's general affairs and its business and provide advice to the Executive Director.

Non-Executive Directors supervise at least the following key elements:

- developing a general strategy, including the formulation of the strategy for realising long-term sustainable value creation, and taking into account risks connected to the Cementir Group's business activities;
- ensuring compliance with all relevant laws and regulations, the Articles of Association and good corporate governance practice;
- satisfying the integrity and quality of financial and sustainability reporting, ensuring the adequacy of financial controls and risk management systems; and
- reviewing the performance of the Board as a whole, each Director individually, and the committees of the Board.

A Non-Executive Director can be appointed for a maximum term of three years and can thereafter be reappointed, with due observance of the Articles of Association. In accordance with Art. 7.2.9 of the Articles of Association, if the seat of a Non-Executive Director is vacant or upon the inability of a Non-Executive Director to act, the remaining Non-Executive Director or Non-Executive Directors shall temporarily be entrusted with the performance of the duties and the exercise of the authorities of that Non-Executive Director; the Board may, however, provide for a temporary replacement. If the seats of all Non-Executive Directors are vacant or upon inability of all Non-Executive Directors or the sole Non-Executive Director to act, as the case may be, the General Meeting shall be authorised to temporarily entrust the performance of the duties and the exercise of the authorities of Non-Executive Directors to one or more other individuals. The Board may entrust one or more Non-Executive Directors to execute a resolution made by the Board with all necessary powers, including the right to sub-delegate, without prejudice to their duties and responsibilities.

Non-Executive Directors scheduled the yearly meeting recommended by Best Practice provisions of the Code prior to the Board meeting of 11 March 2024. The contents of the supervisory activity carried out continuously during the financial year, especially during the meetings of the Board of Directors and, for its members, of the Board Committees, were examined and approved and subsequently reported in the annual report drawn up pursuant to Best Practice provision 5.1.5 of the Code. The independent directors met in the absence of the other directors on 4 November 2024 to further share common issues.

DIVERSITY POLICY

The Company's Board of Directors approved the Diversity Policy on 13 November 2019, following the transfer of the Company's registered office to the Netherlands. At the same time, the Profile of the Board was approved pursuant to and for the purposes of the provisions of Section 2.1.1 of the Code. Both have been the subject of subsequent updates.

The Diversity Policy and the Board Profile are both available on the Company's website pursuant to Best Practice provision 2.1.5 of the Code.

For further information, please refer to the Social Information.

CONFLICT OF INTEREST

Any conflict of interest between the Company and Directors must be prevented. The Board is responsible for dealing with any conflicts of interest that Directors or majority shareholders may have in relation to the Company.

Directors must be alert to conflicts of interest and may not:

- compete with the Company;
- demand or accept substantial gifts from the Company for themselves or their spouse, recognised partner or other life companion, foster child or relative by blood or marriage up to the second degree;
- provide unjustified advantages to third parties at the Company's expense; or
- take advantage of business opportunities that the Company is entitled to, for themselves or for their spouse, recognised partner or other life companion, foster child or relative by blood or marriage up to the second degree.

A Director other than the Senior Non-Executive Director or Vice-Chairman must, without delay, report any conflict of interest or potential conflict of interest to the Senior Non-Executive Director, or in the Senior Non-Executive Director's absence, the Vice-Chairman. The Senior Non-Executive Director must, without delay, report any conflict of interest or potential conflict of interest to the Vice-Chairman or, in the Vice-Chairman's absence, to the other Directors. The Vice-Chairman must, without delay, report any conflict of interest or potential conflict of interest to the Senior Non-Executive Director or, in the Senior Non-Executive Director's absence, to the other Directors. The Director must provide all relevant information, including any relevant information concerning his or her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree.

The Board decides whether a Director has a conflict of interest, without the Director concerned being present.

A Director may not participate in the Board's or a committee's deliberations and decision-making process on a subject where the Director is found to have a conflict of interest. This rule doesn't apply when the entire Board is unable to adopt a resolution as a result of all Directors being unable to participate in the deliberations and decision-making process due to a conflict of interest.

During 2024 no transactions in conflict of interest with Directors and/or majority shareholders were reported or took place.

BOARD COMMITTEES

Audit Committee

By resolution of 27 April 2023, the Board of Directors, elected by the General Meeting of 20 April 2023, appointed the Audit Committee. The duties and responsibilities of the Audit Committee are defined in the relevant Charter (published on the Company's website) approved by the Board of Directors pursuant to Art. 7.1.4 of the Articles of Association and updated on 27 April 2023.

The Audit Committee consists of three members: 1. Benedetta Navarra (Chairman, expert in financial reporting), 2. Annalisa Pescatori, 3. Adriana Lamberto Floristan.

All members of the Audit Committee are independent pursuant to Best Practice provision 2.1.8 of the Code.

The Audit Committee prepares the decision-making of the Board regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.

The Audit Committee focuses on monitoring the Board of Directors, among others, in the following matters:

- relations with the internal and external auditors, and compliance with and follow-up on their recommendations and comments.

  The internal audit function has sufficient resources to execute the internal audit plan and has access to information that is important for the performance of its work. The internal audit function has direct access to the Audit Committee and the external auditor. Records are kept of how the Audit Committee is informed by the internal audit function.

  The internal audit function reports its audit results to the Board and the Audit Committee and informs the external auditor. The findings of the internal audit function include the following:

  - any flaws in the effectiveness of the internal risk management and control systems;
  - any findings and observations with a material impact on the risk profile of the Company and its subsidiaries; and
  - any failings in the follow-up of recommendations made by the internal audit function.
- the Company's funding;
- the Company's tax policy.

In addition, the Audit Committee carries out the following duties:

- recommending persons for appointment as senior internal auditor;
- annually forming a position on how the internal audit function fulfils its responsibility. The Board discusses the effectiveness of the design and operation of the internal risk management and control systems referred to in Best Practice provisions 1.2.1 through 1.2.3 of the Code with the Audit Committee;
- if the Company does not have an internal audit department, recommending annually to the Board whether adequate alternative measures have been taken. The Board includes the conclusions, along with any resulting recommendations and alternative measures, in the Board's report;
- reporting annually to the Board on the functioning of, and the developments in, the relationship with the external auditor. The Audit Committee advises the Board regarding the external auditor's nomination for appointment/reappointment or dismissal and prepares the selection of the external auditor. The Audit Committee gives due consideration to the Board's observations during this process. Based on this, among other things, the Board determines its nomination for the appointment of the external auditor to the General Meeting;

- submitting a proposal to the Board for the external auditor's engagement to audit the annual accounts. The Board plays a facilitating role in this process. In formulating the terms of engagement, attention is paid to the scope of the audit, the materiality to be used and the remuneration for the audit. The Board takes the decision on the engagement. If a new external auditor is to be engaged by the Company the Audit Committee motivates the proposal. The proposal states at least two options for a possible external auditor to be engaged by the Company and explains the Audit Committee's preferred option. The proposal furthermore states that the decision-making of the Audit Committee in this regard is not influenced by any third party or by any agreement;
- annually discussing the draft audit plan with the external auditor, including:
  - the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the external auditor in the audit plan; and
  - based also on the documents used to develop the audit plan, the findings and outcome of the audit work carried out on the annual accounts and the management letter;
- determining whether and, if so, how the external auditor is involved in the content and publication of financial reports other than the annual accounts; and
- meeting with the external auditor as often as it considers necessary, but at least once a year, without Executive Directors being present.

The Audit Committee also carries out the following duties:

- monitoring the financial reporting process and drawing up proposals to safeguard the integrity of this process;
- monitoring the effectiveness of the internal control systems, the internal audit function and risk management systems with regard to the Company's financial reporting;
- monitoring the statutory audit of the annual accounts and the consolidated annual accounts;
- assessing and monitoring the independence of the external auditor or the audit firm, as applicable, specifically taking into account the extension of ancillary services to the Company; and
- determining the selection process for the external auditor or the audit firm, as applicable of the Company and the nomination to extend the assignment to carry out the statutory audit.

The Audit Committee reports on its deliberations and findings to the Board. This report includes information on how the duties of the Audit Committee were carried out in the financial year, and also reports on the composition of the Audit Committee, the number of meetings of the Audit Committee and the main items discussed at those meetings.

This report also includes the following information:

- the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems referred to in Best Practice provisions 1.2.1 through 1.2.3 of the Code;
- the methods used to assess the effectiveness of the internal and external audit processes;
- material considerations regarding financial reporting; and
- the way material risks and uncertainties referred to in Best Practice provisions 1.4.2 and 1.4.3 of the Code have been analysed and discussed, along with a description of the most important findings of the Audit Committee.

In particular, the Audit Committee reports on the results of the annual statutory audit to the Board. This report includes information on how the audit has contributed to the integrity of the financial reporting, and also addresses the role of the Audit Committee in the audit.

During 2024, the Audit Committee met 4 times. The attendance of the members to the Audit Committee meetings is shown in "Table B - Attendance" in the paragraph "Role of the Board of Directors".

During these meetings, the Audit Committee examined and discussed, among other things, the 2023 financial statements, the half-year financial report and the quarterly financial results for 2024 of the Cementir Group; the Audit Committee also examined and discussed the activities carried out by the Internal Audit function and the Ethics Committee during 2023; examined the activities of the Internal Audit function referring to the first quarter and half-year of 2024, agreeing on methods and timing for the receipt of periodic or event-based information, with particular reference to significant events subject to audits, whistleblowing reports and litigation; the Audit Committee then examined the Audit Plan prepared by the Internal Audit function for 2025, in accordance with Best Practice provision 1.3.3 of the Code, together with the budget for that function for the same year. It also examined the Group's Enterprise Risk Assessment. The Audit Committee also reviewed and discussed the external auditor's report on the audit work performed on the 2023 financial statements, the Audit Plan prepared by the external auditor, and reviewed and discussed the external auditor's non-audit services and related network pursuant to the "procedure for the assignment of non-audit services to the external audit company and related network"; gave a favourable opinion on the board's approval of the policy for the regulation of lobbying activities and political contributions, the Audit Manual and the Internal Audit Charter; finally, followed the CSRD preparation and implementation activities. The Audit Committee then examined and discussed the reports prepared for the Board of Directors of the Company pursuant to Best Practice provision 1.5.3 of the Code, as well as the annual assessment carried out by the members of the Audit Committee pursuant to Best Practice provision 2.2.6 of the Code.

The Audit Committee periodically reported to the Board of Directors on the activities carried out.

The Audit Committee examined the financial documentation with the Group Chief Financial Officer, who attended the Committee meetings. The Audit Committee met the external auditor at all four meetings held during the year, at which, in the presence of the Group Chief Financial Officer, it examined, among other things, the annual financial statements, the report of the external auditor concerning the audit work carried out on the 2023 financial statements and also discussed the audit plan prepared by the same external auditor.

The Audit Committee received updates on legal matters by the Group General Counsel of the Company attending all the meetings. Internal Audit activity was reviewed on a regular basis with the Group Chief Internal Audit Officer also attending all the meetings and discussing with the Committee the main findings and remediating actions.

Remuneration and Nomination Committee

By means of the resolution adopted on 27 April 2023, the newly elected Board of Directors combined the roles of the remuneration committee and the selection and appointment committee in one committee, by appointing the Remuneration and Nomination Committee.

The duties and the responsibilities of the Remuneration and Nomination Committee are set out in the related charter (published on the Company website) adopted by the Board of Director pursuant to Art. 7.1.4 of the Articles of Association and updated on 27 April 2023.

The Remuneration and Nomination Committee consists of three members: 1. Annalisa Pescatori (Chairman), 2. Benedetta Navarra, 3. Adriana Lamberto Floristan.

All the members of the Remuneration and Nomination Committee are independent pursuant to Best Practice provision 2.1.8 of the Code.

The Remuneration and Nomination Committee prepares the Board’s decision-making (including, if applicable, proposals of the Board for the General Meeting) regarding the determination of the remuneration of individual Directors, including severance payments.

The Remuneration and Nomination Committee submits a proposal to the Board (including, if applicable, proposals of the Board for the General Meeting) concerning the remuneration of each Director. The proposal is drawn up according to the remuneration policy that has been established and, in any event, covers:

- the objectives of the strategy for the implementation of long-term sustainable value creation within the meaning of Best Practice provision 1.1.1 of the Code;
- the scenario analyses carried out in advance;
- the pay ratios within the Company and the Business;
- the development of the market price of the shares;
- an appropriate ratio between the variable and fixed remuneration components. The variable remuneration component is linked to measurable performance criteria determined in advance, which are predominantly long-term in character;
- if shares are being awarded, the terms and conditions governing this. Shares should be held for at least five years after they are awarded; and
- if share options are being awarded, the terms and conditions governing this and the terms and conditions for exercising the share options. Share options may not be exercised during the first three years after they have been awarded.

The Remuneration and Nomination Committee also prepares the Board's decision-making (including, if applicable, proposals of the Board for the General Meeting) regarding:

- the drawing up of selection criteria and appointment procedures for Executive Directors and Non-Executive Directors;
- the periodical assessment of the size and composition of the Board, and the making of proposal for a composition profile of the Board;
- the periodical assessment of the performance of individual Executive Directors and Non-Executive Directors and reporting this to the Board;
- the drawing up of a plan for the succession of Executive Directors and Non-Executive Directors;
- the proposal for appointment and reappointment of Executive Directors and Non-Executive Directors;
- the supervision of the policy of the Board regarding the selection criteria and appointment procedures for senior management; and
- the development of the Company's diversity and inclusion policy for the composition of the Board and for certain categories of senior management determined by the Board.

The Remuneration and Nomination Committee reports on its deliberations and findings to the Board. This report includes information on how the duties of the Remuneration and Nomination Committee were carried out in the financial year, and also reports on the composition of the Remuneration and Nomination Committee, the number of meetings of the Remuneration and Nomination Committee and the main items discussed at those meetings.

The Remuneration and Nomination Committee describes, in a transparent manner, in addition to the matters required by law:

- how the remuneration policy has been implemented in the past financial year;
- how the implementation of the remuneration policy contributes to long-term sustainable value creation;
- how scenario analyses were taken into account;
- the pay ratios within the Company and the business segment and any changes in these ratios compared to at least five previous financial years;
- in the event that a Director receives variable remuneration, how this remuneration contributes to long-term sustainable value creation, the measurable performance criteria determined in advance and on which the variable remuneration depends, and the relationship between the remuneration and performance; and

- in the event that a current or former Director receives a severance payment, the reason for this payment.

The main elements of the agreement of an Executive Director with the Company are to be published on the Company's website in a transparent overview after the agreement has been concluded, and in any event no later than the date of the notice calling the General Meeting where the appointment of the Executive Director will be proposed.

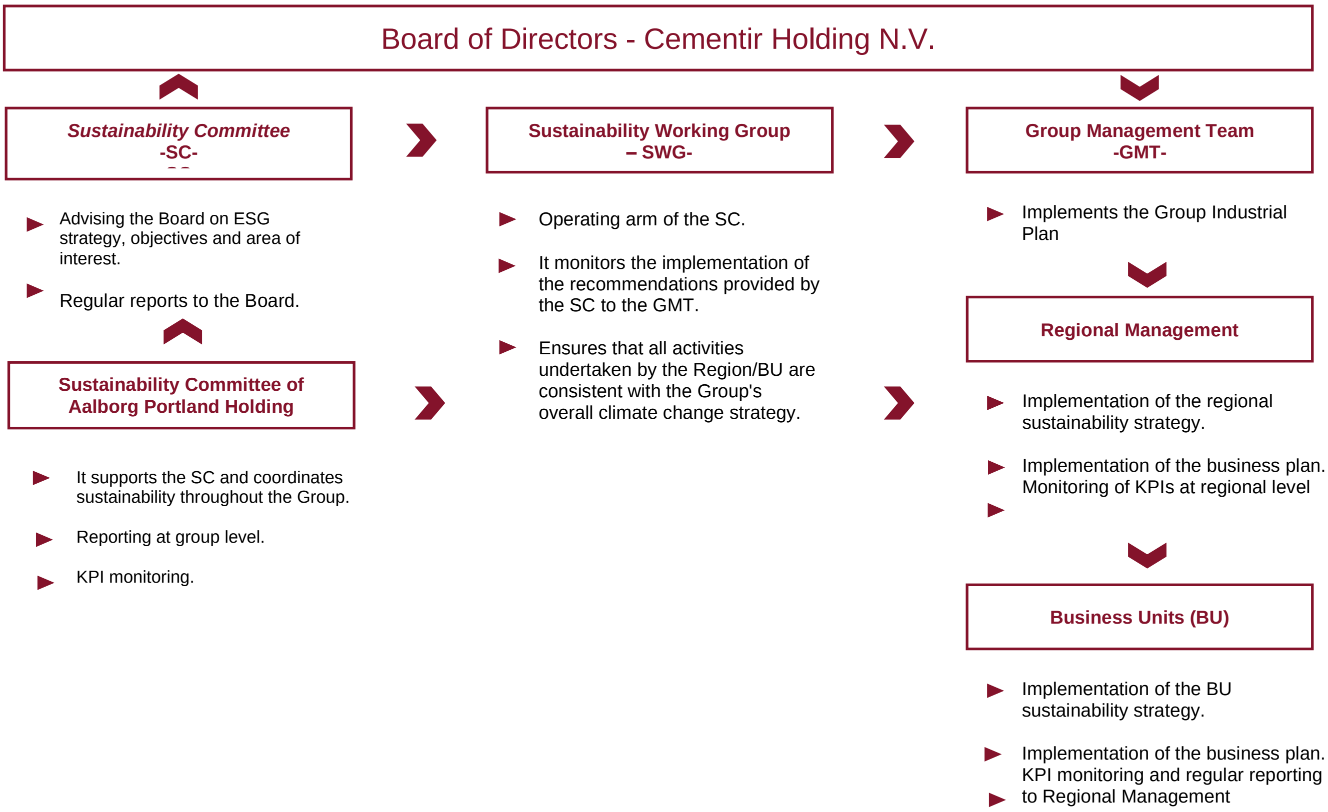
During 2024, the Remuneration and Nomination Committee met 3 times. The percentage of the attendance of the members to the Remuneration and Nomination Committee meetings are shown in "Table B - Attendance" in paragraph "Role of the Board of Directors".

During these meetings, the Remuneration and Nomination Committee examined and discussed, among other things, the remuneration policy and the report on remuneration drawn up in accordance with Art. 2:135a of the Dutch Civil Code and Best Practice provision 3.1 and following of the Code, and the report concerning the activity carried out by the Committee in 2023, drawn up in accordance with Best Practice provision 2.3.5 of the Code and presented to the Company's Board of Directors; discussed the annual assessment carried out by the members of the Committee pursuant to Best Practice provision 2.2.6 of the Code; discussed and verified the independence requirements in the context of the review of the requirements for membership in the Euronext Star Milan segment; verified the achievement of the gender diversity targets set for 2023 and approved the proposed D&I targets for 2024, determined in accordance with current legislation, to be submitted to the Board of Directors for approval; also examined and discussed the state of implementation of the LTI plans with particular reference to the payment of the fees provided for on the basis of the 2021-2023 LTI Plan as well as the allocation criteria and the setting of the objectives relating to the 2024-2026 LTI Plan; also examined the assigned ESG objectives included in the STI Plan; finally, received the periodic update on the Succession Plan for the Company's personnel.

The meetings were always attended by the Group General Counsel and the Group Chief Human Resources Officer was also invited for all matters of relevance.

Further details of the activities of the Remuneration and Nomination Committee are included in the Remuneration Report section included elsewhere in this report.

Sustainability Committee and Sustainability Governance System



Everyone, from the top of the chain of command to employees in plants around the world, is involved in implementing good sustainability practices. Various actors within the Group, mainly those included in the diagram, contribute to a disciplined approach to sustainability management.

In the context of the Company's and the Group's ever-increasing commitment to sustainability and compliance with demanding and challenging objectives, for the first time, on 28 July 2021 and, most recently, with a resolution of 27 April 2023, following the renewal of the entire Board by the General Meeting of 20 April 2023, the Board of Directors established the Sustainability Committee in its current composition. The Sustainability Committee reinforces the Group's Sustainability Governance by integrating a Parent Company-level committee into the existing Sustainability Committee established in 2019 within Aalborg Portland Holding A/S (hereafter "APH Sustainability Committee") shown in the chart above. The Group Sustainability Committee plays the key role of assisting Cementir Holding's Board in formulating and implementing a sustainability strategy for the creation of long-term value for Cementir Holding and the Group. It also supports the Company Board in promoting a healthy, safe and secure environment for stakeholders, sustainable development and social responsibility. The Group Sustainability Committee reviews, evaluates and makes recommendations to the Cementir Holding Board and other Group bodies such as the Remuneration Committee on sustainability objectives to incentivise management at Group, regional and BU level. It acts as delegated by the Board of Cementir Holding on global and local sustainability matters, including the definition, monitoring, evaluation and reporting of policies and practices, management standards, strategy, performance and governance. In addition, it regularly interfaces with the APH Sustainability Committee, the Sustainability Working Group (hereinafter “SWG”) and the Group Management Team (hereinafter “GMT”) and submits regular reports to the Board of Directors.

The duties and the responsibilities of the Sustainability Committee are set out in the related charter (published on the Company website) adopted by the Board of Director on 28 July 2021 pursuant to and for the purposes of the provisions of Art. 3.3 of the Board Rules ("Ad hoc committees").

The Sustainability Committee is currently made up of: 1. Francesco Caltagirone (Chairman), 2. Benedetta Navarra, 3. Annalisa Pescatori, 4. Adriana Lamberto Floristan.

According to the Sustainability Committee Charter, the majority of its members is represented by non-executive and independent directors.

The Sustainability Committee prepares the decision-making process of the Board of Directors in formulating and implementing a strategy in line with a view on long-term value creation for Cementir Holding NV and its subsidiaries, regarding the development and promotion of a healthy, safe and secure environment for the Company's stakeholders, as well as sustainable development and social responsibility, and prepares any related decision-making at Board level.

The main task of the Sustainability Committee is to develop the Group's sustainability strategy.

Specifically, it:

- assists and advises the Board on its supervision of the Group's policies, programmes and related risks concerning sustainability matters (including, but not limited to) sustainability matters related to public issues relevant to the Group and its stakeholders that may affect the Group's business, strategy, operations, performance or reputation;
- receives regular reporting from any subsidiaries’ Sustainability Committees and the Sustainability Working Group, respectively, to collect any required information and to provide the Board with the required insights and advise;
- provides regular reporting to the Board;
- acts under any authority delegated by the Board relating to global and local sustainability matters, including with respect to setting out, monitoring, evaluating and reporting on policies and practices, management standards, strategy, performance and governance;
- reviews and approves goals and guidelines for environmental, social and governance compliance, aligned with the Group's commitments and legal requirements;
- reviews, discusses and proposes the Group's sustainability initiatives and engagement;
- assists in the Board supervision of risks relating to sustainability matters overseen by the Sustainability Committee;
- review, assesses and makes recommendations:
    - to the Board as to the Group's non-financial reporting and annual Sustainability Report;
    - to the Board and to other Group bodies such as subsidiaries’ Sustainability Committee and/or Group Management Team regarding any sustainable development policy, including overall strategy or specific guidelines, management standards, key performance indicators of the Group relating to sustainability-related issues with the aim of ensuring that Group's policies and procedures are in line with best practice;
    - to the Board and to other Group bodies such as the Nomination and Remuneration Committee on sustainability-related targets for management incentives at Group, region and BU level;
- recommends to the Board health and safety targets for the Company and the Group;
- supports the development of a health and safety culture in the Company and the Group also through its management;
- annually provides reports of its actions to the Board and makes recommendations to the Board and to other Group bodies as it considers appropriate;
- reviews and assesses the adequacy of the Sustainability Charter and recommends to the Board any improvements to the Charter that the Sustainability Committee considers necessary or appropriate;

- undertakes such other responsibilities or tasks within sustainability matters as the Board may delegate or assign from time to time to the Sustainability Committee.

The Sustainability Committee, according to the respective Charter, meets at least twice a year; during 2024, the Sustainability Committee met three times.

The percentage of the attendance of the members to the Sustainability Committee meetings are shown in “Table B - Attendance” in paragraph “Role of the Board of Directors”.

During these meetings, the Sustainability Committee examined and discussed, among other things, the Cementir Group's Sustainability Report-Non-Financial Statement 2023, and resolved to propose it to the Board for approval with a favourable opinion; examined and approved the report on the activities carried out by the Committee during 2023, submitted to the Company's Board of Directors; received updates on the ongoing Carbon Capture and Storage projects, the validation of short- and long-term CO2 reduction targets by Science Based Targets (SBTi), the Carbon Border Adjustment Mechanism (CBAM), water management targets, and the Sustainability Monitoring-Reporting-Verification (MRV) system under evaluation in Türkiye; finally, it monitored the preparation and implementation of the CSRD and approved the double materiality matrix. All meetings were attended by the Group General Counsel, also acting as secretary of the committee, as well as the Group Chief Internal Audit Officer and the Group Chief Operating Officer, with the additional participation of the Group Chief Financial Officer for CSRD matters.

The APH Sustainability Committee is currently chaired by the Chairman of Aalborg Portland Holding A/S (hereinafter “APH”) and defines the Group's guidelines and commitment to sustainability. The APH Sustainability Committee meets at least quarterly, taking over all responsibilities or tasks related to sustainability issues, with the main task of developing a Group Sustainability Strategy. The purpose of the APH Sustainability Committee is to provide regular reports to the APH Board and to assist and advise the APH Board in overseeing the Group's policies and programmes and related risks, in whatever way they relate to sustainability issues. It acts under the authority delegated by the APH Board in relation to the definition, monitoring, evaluation and reporting of policies and practices, management standards, strategy, performance and governance, in relation to global and local sustainability issues, involving the Group, and interfaces regularly with the Sustainability Department, the SWG and the GMT to gather all necessary information and provide insights and advice as required.

In 2020, the Sustainability Working Group (SWG) was established. The SWG is now the operational arm of the Group Sustainability Committee. On a monthly basis, the SWG monitors the implementation of the recommendations provided by the Group Sustainability Committee to the GMT. It must also ensure that all activities undertaken by each Region and business unit are consistent with the Group's overall climate change strategy. Each region and business unit must report and agree with the SWG on any activities undertaken locally with business associations, policy makers or local communities. The GMT, consisting of Group COO, CFO, Sales Officer, Procurement Officer, Technical Coordinator Officer, Information Technology Officer and Head of Regions, supports the Group CEO's decisions on relevant issues, sets operational guidelines and plays a key role in ensuring that sustainability efforts are aligned with business and economic objectives. Group management is primarily responsible for internal controls and risk management activities; it is supported by the second-level control functions in defining appropriate risk management and control systems according to their respective levels of responsibility (e.g. EHS, anti-corruption, antitrust and privacy). Responsibility for the Group's strategy remains with the Parent Company Board, which sets the overall strategy, and approves the performance objectives and targets for the Group as well as the Group's annual non-financial information. The Parent Company Board defines, implements and maintains the guidelines of the risk management and control system, so that the main risks associated with the strategy and activities of the entire Group, strategic, operational, compliance and reporting risks, are correctly identified and adequately measured, managed and monitored, and also determines the level of compatibility of these risks with the Company's management in a manner consistent with its strategic objectives, establishing risk appetite and mitigation measures.

Furthermore, the Parent Company's Board, with the support of the Audit Committee, reviews and evaluates the adequacy of the Internal Control and Risk Management System at least once a year, including in the assessment aspects concerning climate and other environmental and social considerations, taking into account the characteristics of the Company and its risk profile, as well as its effectiveness. Attention should be paid, in particular, to any weaknesses, instances of misconduct and irregularities, whistleblowers, lessons learned and findings of the internal audit functions and external auditors. Since 2012, the Cementir Group has approved a Corporate Social Responsibility Policy that sets out the values that the Group must apply in terms of social and environmental responsibility; it also decided to voluntarily share its sustainable development policy by publishing an Environmental Sustainability Report well before it was required by law. Industrial decisions concerning major industrial investments, acquisitions and/or disposals, including climate and other environmental and social considerations, are subject to approval by internal bodies (GMT and Group Investment Committee[12]) and then to approval by the Board, in accordance with relevant Group policies.

Composition of sustainability bodies		
Group Sustainability Committee (within the Board of Cementir Holding)	APH Sustainability Committee (within Aalborg Portland Holding A/S)	Sustainability Working Group (SWG)
Group Chairman and CEO	Group Chairman and CEO	Group Chief Operating Officer
Independent Non-Executive Director	Chairman of Aalborg Portland Holding A/S	Group Chief Internal Audit Officer
Independent Non-Executive Director	Chairman of Compagnie des Ciments Belges SA	Group Chief Technical Coordination Officer
Independent Non-Executive Director	Group Chief Operating Officer	Group Chief Sales & Marketing Officer
	Group Investor Relations Officer	Group Sustainability and R&D Director
	Group General Counsel	Head of Nordic & Baltic Region
	Group Chief Internal Audit Officer	Chief Executive Officer Belgium
	Group Chief Technical Coordination Officer	
	Head of Nordic & Baltic Region	
	Chief Executive Officer Belgium	

[12] 2 The Group Investment Committee is responsible for the authorisation and monitoring of the Group Investment Plan. The Committee consists of the Group CEO, the Group COO, the CFO, the Information Technology Officer, the Head of Regions and the Investment Director.

REMUNERATION OF THE BOARD OF DIRECTORS

Details of the remuneration of the Board of Directors and its committees are set forth within the section "Remuneration Report".

GENERAL MEETING

The annual General Meeting shall be held each year no later than six months after the end of the financial year of the Company. The purpose of the annual General Meeting is to discuss, inter alia, the annual report, the adoption of the annual accounts, allocation of profits (including the proposal to distribute dividends), release of members of the Board of Directors from liability for their management and supervision, and other proposals brought up for discussion by the Board of Directors.

Convening of the General Meetings

General Meetings are convened by the Board.

Shareholders solely or jointly representing at least ten percent (10%) of the issued share capital may request the Board in writing, setting out in detail the matters to be discussed, to convene a Cementir Holding General Meeting. If the Board of Directors fails to call a meeting, then such shareholders may, at their request, be authorised by the preliminary relief judge of the district court to convene a General Meeting of Cementir Holding.

Cementir Holding General Meetings shall be held in Amsterdam or Haarlemmermeer (Schiphol Airport), the Netherlands, and shall be called by the Board of Directors in such manner as is required to comply with the law and the applicable stock exchange regulations, not later than on the forty-second day prior to the day of the meeting. The notice convening a General Meeting is issued in accordance with Dutch law and by a public announcement in electronic form which can be directly and continuously accessed until the General Meeting.

An item requested in writing by one or more shareholders solely or jointly representing at least three percent (3%) of the issued share capital, must be included in the notice of the General Meeting or announced in the same manner, if the Company has received the request, including the reasons, no later than on the day prescribed by law. The Board has the right not to place proposals from persons mentioned above on the agenda if the Board judges them to be evidently not in the interest of the Company.

The notice shall state the place, date and hour and the agenda of the meeting as well as the other data required by law.

The agenda of the annual Cementir Holding General Meeting shall contain, inter alia, the following items:

- adoption of the annual accounts;
- the remuneration policy and the remuneration report;
- the policy of the Company on additions to reserves and on dividends, if any;
- granting of discharge to the Directors in respect of the performance of their duties in the relevant financial year;
- the appointment of Directors;
- if applicable, the proposal to pay a dividend;
- if applicable, discussion of any substantial change in the corporate governance structure of the Company; and

- any matters decided upon by the person(s) convening the meeting and any matters placed on the agenda with due observance of applicable Dutch law.

In addition, the approval of the General Meeting is required for resolutions of the Board regarding an important change in the identity or character of the Company or its associated business enterprise, including in any event:

- the transfer of the business, or almost all of the business, to a third party;
- concluding or cancelling a long-lasting cooperation of the Company or a subsidiary with another legal person or company or as a fully liable general partner in a partnership, provided that the cooperation or cancellation is of material significance to the Company; and
- the acquisition or disposal of a participating interest in the share capital of a company with a value of at least one third (1/3) of the Company's assets, according to the consolidated balance sheet with explanatory notes, always according to the last adopted annual accounts of the Company.

The Board of Directors shall provide the General Meeting all requested information, unless this would be contrary to an overriding interest of the Company. If the Board of Directors invokes an overriding interest, it must give reasons.

When convening a General Meeting, the Board of Directors shall determine that, for the purpose of Art. 8.4 of the Articles of Association, persons with the right to vote or attend meetings shall be considered those persons who have these rights at the twenty-eighth day prior to the day of the meeting (the "Record Date") and are registered as such in a register to be designated by the Board of Directors for such purpose, irrespective of whether they will have these rights at the date of the meeting. In addition to the Record Date, the notice of the meeting shall further state how shareholders and other parties with meeting rights may be registered and how those rights can be exercised.

Each shareholder can be represented by a written proxy, to take part in, address and, to the extent he/she is entitled, to vote at the General Meeting using electronic means of communication, provided that such person can be identified via the same electronic means and is able to directly observe the proceedings and, to the extent he/she is entitled, to vote at the General Meeting. In that case, the proxy must have been received by the Company no later than on the date determined by the Board in the notice.

Order of discussion and decision-making

The annual General Meeting is chaired by:

- the Chairman; or
- if the Chairman is absent, by the Senior Non-Executive Director; or
- if the Senior Non-Executive Director is absent, by one of the other Non-Executive Directors designated for that purpose by the Board; or
- if none of the Non-Executive Directors are present at the annual General Meeting, such person appointed by the General Meeting.

The chairman of the General Meeting determines the order of discussion in accordance with the agenda and may limit speaking time or take other measures to ensure that the General Meeting proceeds in an orderly manner.

All issues relating to the proceedings at or concerning the General Meeting are decided by the chairman of the General Meeting. Minutes of the business transacted at the General Meeting must be kept by the secretary of the General Meeting, unless a notarial record of the General Meeting is prepared. Minutes of a General Meeting are adopted and subsequently signed by the chairman and the secretary of the General Meeting. A written confirmation signed by the chairman of the General Meeting stating that the General Meeting has adopted a resolution constitutes valid proof of that resolution towards third parties.

The General Meeting adopts resolutions by a simple majority of votes cast regardless of which part of the issued share capital such votes represent, unless the law or the Articles of Association provide otherwise.

Each share confers the right to cast one vote at the General Meeting. No vote may be cast at the General Meeting for a share held by the Company or one of its subsidiaries. Holders of a right of usufruct or a right of pledge on shares belonging to the Company or its subsidiaries are not excluded from voting if the right of usufruct or the right of pledge was created before the share concerned belonged to the Company or one of its subsidiaries. The Company or a subsidiary may not cast a vote in respect of a share on which it holds a right of usufruct or a right of pledge. The chairman of the General Meeting determines the method of voting. The ruling by the chairman of the General Meeting on the outcome of a vote is decisive. The chairman of the General Meeting shall decide in event of a tie. All disputes concerning voting for which neither the law nor the Articles of Association provide a solution are decided by the chairman of the General Meeting.

The minutes of the General Meeting will be available on the Company website no later than three months after the end of the meeting, after which the shareholders shall have the opportunity to react to the minutes in the following three months. The minutes shall then be adopted in the manner as described in the Articles of Association.

CULTURE, LONG-TERM SUSTAINABLE VALUE CREATION AND CODE OF ETHICS

The Cementir Group's values that contribute to a culture aimed at creating long-term sustainable value, approved by the Board of Directors, are described in the paragraph "Purpose, Vision, Mission and Value" of the Directors' Report to which reference should be made. The culture of the Cementir Group is based on five key values: 1) sustainability; 2) dynamism; 3) quality; 4) value of people; 5) diversity and inclusion. These values translate into a series of virtuous behaviours that foster the professionalism and integrity, availability, respect and cooperation of people both within the Group and in relation to the external context. The culture of the Cementir Group is a vision that has been translated into a tangible model of skills and related behaviours to effectively respond to the expectations of the Cementir Group's stakeholders and, in particular, to the needs of its customers in compliance with a spirit of common identity: One Group Identity.

Cementir's long-term sustainability strategy has been developed through a bottom-up approach over recent years. The functions concerned within the local structures, under the coordination of the Group's top management, have translated individual concepts and notions into a unique and coherent way of thinking, defining the Group's internal culture and identity, setting precise expectations, objectives and commitments, along the lines provided for by the regulatory framework. Once consolidated, this core framework was then formally reviewed, approved and validated by the Sustainability Committee set up within the group at the level of the Board of the Danish subsidiary and, finally, transferred to the relevant entities for implementation through structured programmes and specific actions with fixed deadlines. Its assumptions and implications, from basic to more extensive, have been summarised in the Group 2024-26 Business Plan, approved by the Company's Board of Directors in February 2024, the 2023 Sustainability Report, approved by the Company Board of Directors in March 2024 and the 2023 Consolidated Group Financial Statements, approved by the General Meeting in April 2024.

Also in 2024, the strategy drawn up by the Chief Executive Officer and submitted to the Board in its entirety for approval in the context of the update of the 2024-2026 Business Plan, was inspired by the aim of long-term sustainable value creation by the Company and the other companies in the group, with particular reference to the "Sustainability Roadmap" detailed in the specific paragraph. Sustainability is clearly one of the main objectives that the Group has set itself and which, by its very nature, implies a process to be carried out in the medium-long term in the interest and for the benefit of the Company, Group, shareholders and stakeholders.

In addition, the same purpose underlies the remuneration policy, to which reference is made for further details. The guidelines of the remuneration policy and the allocation of compensation to employees assign challenging objectives with the main aim of creating sustainable value for shareholders - including minority shareholders - in the medium to long term. Moreover, the specific situation of the Company, in which the Chief Executive Officer is the representative of the majority, as well as a significant shareholder, naturally aligns the interests pursued by the Executive Director with those of shareholders and stakeholders, which coincide in the pursuit of the long-term strategy of value creation.

The Board of Directors is an active promoter of behaviour consistent with the Group's values, not only with the approval of the 2025-2027 Business Plan, updated on 11 February 2025, which incorporates them, but also having given the sustainability roadmap high priority in recent years.

In particular, Cementir Holding believes that long-term sustainable value is realised by focusing on the interests of a large group of stakeholders, each with a distinct purpose, to support a long-term business. Please refer to the specific paragraphs where the initiatives planned and implemented to pursue the Group's sustainability objectives, to be achieved by 2030, are described in detail, covering the priority areas for Cementir. The objectives are linked to Cementir's effort to adopt all necessary measures and the most innovative technology to minimise the impact of the Group’s activity on the environment; create a healthy, safe and inclusive working environment; respecting human rights and fostering a constructive and transparent relationship with local communities and business partners. These objectives, set by individual plant and by year, are included in the Business Plan and the short-term incentive system for employees. Cementir also pursues the creation of long-term sustainable value through a Long-Term Incentive Plan in place for its top management.

The Cementir Group has decided to adopt a Code of Ethics to conform and conduct its business activities according to the principles of integrity, honesty and confidentiality and in compliance with the laws and regulations of the countries in which it operates. The Code of Ethics promotes the correct and efficient use of resources in the perspective of corporate, social and environment responsibility, to reconcile the search for competitiveness in the Cementir Group market with respect for rules on competition. The Group, in business dealings, is inspired by and observes the principles of loyalty, fairness, transparency, efficiency and market orientation, regardless of the importance of the deal.

The ethical principles contained therein are directly and expressly linked to the vision and values of the Group, which operates primarily in the production and sale of cement and ready-mixed concrete with a global presence. The ability to create synergies with other subsidiaries enables Group companies to improve their economic performance by increasing added value for stakeholders. The ability to propose, model and implement innovative and complex highly integrated technology solutions, starting from an understanding of the territory and customer needs, is an integral part of the Group's strategy. Each company in the Group pioneers technologies and standards to consistently reduce their impact; innovating and transforming every new plant acquired or built - in any country - to the highest standards for the protection of workers, the environment and the communities in which the plant is located. In terms of social responsibility, the Group devotes significant resources to different aspects of the life of the community in which it operates: promoting studies; working with the government; protecting the historical and monumental heritage; sponsoring culture and entertainment; taking action to reduce environmental impact.

All actions, transactions and negotiations carried out and, more generally, people’s behaviour in their daily tasks, are inspired by the highest accuracy, completeness and transparency of information, legitimacy, both in form and substance, and clarity and accuracy of accounting records in accordance with regulations and internal procedures. To achieve this goal, the Cementir Group requires its employees to comply with the highest standards of business conduct in the performance of their duties, as set in the Code of Ethics and the procedures to which it refers. For these reasons, the Group:

- guarantees that employees who report any violations of the Code of Ethics will not be subject to any form of retaliation;

- takes fair sanctions commensurate to the type of violation of the Code of Ethics, and guarantees its application to all the categories of employees, keeping into account laws, contracts and regulations applicable in the Country in which it operates;

- periodically checks compliance with the Code of Ethics.

The Code of Ethics, updated on 1 June 2020, with the principles and values defined in the Group Policy on respect for Human Rights, is available on the Company's website pursuant to Best Practice provision 2.5.2 of the Code.

The Cementir Group considers the principles of integrity and competition to be fundamental, especially in view of the specific risks that characterise the cement and ready-mixed concrete production sector. The Group's Code of Ethics is the reference document that establishes the conduct that all individuals within the Group and those who work with it must follow. In addition to the Code of Ethics, specific programmes and procedures have been adopted within the individual regions to guarantee the mitigation of these risks and the correct operation of the companies. Periodic training courses are held, which the Group organises to keep the level of focus on this issue constantly high.

ETHICS COMMITTEE

To monitor the constant compliance with the Code of Ethics by the employees of the Company and its subsidiaries and the application of the regulations following the transfer of the registered office, on 5 October 2019, the Board of Directors resolved, among other things, to establish an Ethics Committee, formed by the Group General Counsel and the Group Chief Internal Audit Officer, which also performs the functions of the Supervisory Board pursuant to Legislative Decree 231/2001.

The Ethics Committee:

- Monitors the dissemination of the Code of Ethics and proposes possible training and awareness-raising measures.

- Submits to the Board of Directors the status of the implementation process of the Code of Ethics, illustrating the programmes and initiatives undertaken to achieve the institutional purposes and the adjustments necessary to ensure its effectiveness and its possible updating, also with respect to changes in the law.

- Provides support in the interpretation of the Code of Ethics.

- Checks for violations.

- Follows up on any reports of non-compliant behaviour.

- Also receives regular reporting on whistleblowing.

PROCEDURE FOR REPORTING VIOLATIONS

On 13 November 2019, the Board of Directors approved the Whistleblowing Management Procedure in accordance with Dutch law and made subsequent updates. The last update took place during 2023 with the creation of an additional dedicated reporting channel, technically managed by a third party with a special IT platform, to further guarantee the confidentiality and protection of the whistleblower. The procedure is available on the Company website pursuant to Best Practice provision 2.6.1 of the Code.

The Company and the Group recognise its importance as an effective tool for preventing unlawful activities and enabling people to exercise their freedom of expression as a fundamental human right. Consequently, employees, collaborators, directors and third parties are able to report - without fear of retaliation or intimidation - any information concerning potential violations, non-compliant or unlawful conduct and practices in relation to applicable legislation, including European Union legislation, the Group's Code of Ethics, internal procedures and the organisational model of the respective companies pursuant to Legislative Decree 231/2001. With the latest update, an additional, dedicated whistleblower channel, managed by a third party via a dedicated IT platform, was created to further ensure the confidentiality and protection of whistleblowers. Further details are available on the company website under Ethics and Compliance.

The receipt, analysis and conduct of audits on reports is carried out by Cementir Holding's Internal Audit team. The results and any potential actions are reviewed by the Ethics Committee; violations are communicated to relevant personnel and functions. Cementir's Audit Committee is regularly updated on the progress of reports. The Chief Executive Officer and the Chairman of the Audit Committee are promptly informed of critical concerns, including those relating to potential and actual negative impacts of the organisation on stakeholders, raised through the whistleblowing mechanisms described above. The Board of Directors can be alerted to any critical concerns at meetings where the Sustainability Report is discussed and approved.

POLICY ON BILATERAL CONTACTS WITH SHAREHOLDERS

On 13 November 2019, the Board of Director adopted, in compliance with the Dutch Law, the Policy on bilateral contacts with shareholders. This policy was updated and revised during the previous year, also in light of the new provisions of the Code in force as of 1 January 2023 and, in particular, provision 4.2.2. This provision has been supplemented by providing that the shareholders and the company are available for dialogue. In particular, the Company should facilitate dialogue unless it is in the interest of the Company and the Group to reject it and shareholders should make themselves available to engage in constructive dialogue and, outside the context of a General Meeting, disclose their full shareholding position at the request of the Company.

These recommendations have therefore been incorporated into the updated version of the policy and, on this occasion, a general review has been carried out. Bilateral contacts with shareholders and potential investors are managed by the Investor Relations department which, by delegation and in agreement with the Chairman and CEO of the Group, discretionarily identifies the shareholders or potential investors with whom to interact, based on the Company's interest.

In order to ensure information symmetry, the Investor Relations function is always present at meetings, even where it is proactively organised by other functions, and the Group Chairman and CEO and/or Group CFO may participate.

The Chairman and CEO of the Cementir Group is the point of contact between investors and the Board.

The policy on bilateral contacts with shareholders is available on the Company's website pursuant to Best Practice provision 4.2.2 of the Code.

Relations with shareholders and financial analysts are handled with a high degree of accuracy and in compliance with the policy, the Code and applicable regulations. By way of example, after the Board of Directors' meetings to approve the periodic financial results, the Company organises conference calls to present these results to the financial community and informs the stakeholders by issuing a press release. It has also included a special section on the Company website dedicated to investor relations where presentations of financial results and press releases are published in accordance with the Best Practice provisions of the Code.

In addition, the Annual General Meeting is the natural event where the Company's shareholders can meet with the Board of Directors and ask questions, participating with their vote in the Company's decisions.

GROUP STAKEHOLDER ENGAGEMENT POLICY

The Group Stakeholder Engagement Policy has been drawn up in accordance with the provisions of the Code in force since January 2023 and the practice that is being defined in this first application period and was approved by the Board of Directors on 6 November 2023. The policy has been published on the Company's website pursuant to Best Practice provision 1.1.5 of the Code.

Among the provisions of the Code, the best practice provision 1.1.5 has been introduced, which recommends the definition of a policy for facilitating dialogue with stakeholders that includes at least the sustainability aspects of the strategy.

The Cementir Group's Stakeholder Engagement Policy recognises that dialogue with stakeholders plays a fundamental role in the success of the Company and the Group and sets as the Group's objective the establishment of a constructive dialogue with stakeholders in order to establish a lasting and effective relationship with them, not limited to sustainability aspects alone.

All employees of the Group are required to acknowledge and comply with this Policy.

The categories of stakeholders with whom the Group interacts and has a stable relationship (at holding or local level) and the tool used to strengthen their involvement have been identified; the updated list is included in the official sustainability report (the Sustainability Report). The impact on stakeholders is considered material when it concerns the actual or potential effects of the Group on people or the environment in the short, medium and/or long term time horizons.

The Chairman and CEO of the Group assesses on a case-by-case basis which stakeholders are relevant to the Company, with whom to enter into dialogue and in what form, and has the power to make changes to the list of stakeholders.

Examples of interaction with stakeholders, such as customers, suppliers, staff, the local community, public institutions and trade associations, are described in paragraph Social Information. The various stakeholders are involved in periodically updating the materiality matrix, which considers as relevant those issues that may have a direct or indirect impact on the Company's ability to establish, maintain or adversely affect the Group's values.

GROUP POLICY ON LOBBYING ACTIVITY AND POLITICAL CONTRIBUTIONS

On 29 July 2024, the Company's Board of Directors approved the Group Policy on Lobbying Activities and Political Contributions.

The aim of the Policy is to provide the principles and guidelines that the Cementir Group must observe when dealing with public authorities, with any type of direct or indirect communication, in order to i) pursue the interests of the Cementir Group with the aim of influencing the process of political deliberation and decision-making; (ii) inform public debate and/or assist public authorities in their decision-making processes on issues of relevance to the Group; (iii) and determine the terms and conditions of any financial contributions to political parties, causes or activities (collectively, “Advocacy Activities”). All in order to ensure that Advocacy Activities take place in a clear, transparent and lawful manner, in light of the disclosure requirements of the CSRD and ESRS standards and in compliance with local laws, internal procedures and Group culture.

The Company remains politically neutral and abstains from donations to political entities, except those expressly approved if and to the extent permitted by local laws.

The Policy applies to all Cementir Group companies and to all Group employees whether they operate directly or indirectly through third parties, respecting fair information, the rights and freedom of expression of stakeholders and the rules of fair competition and management of conflicts of interest. Conduct that may constitute bribery and corruption acts in any form is expressly prohibited.

All Advocacy Activities, with the sole exception of memberships in Chambers of Commerce or industry organisations, are subject to prior approval and must be informed by the principles of transparency and integrity in compliance with laws, policies and procedures of the Group.

INSIDE INFORMATION

Pursuant to the Market Abuse Regulation (EU No 596/2014), Cementir Holding shall communicate to the public without delay any information that: (i) has a precise character; (ii) has not been made public; (iii) refers directly or indirectly to the Company or the Company's ordinary shares; and (iv) if made public, could have a significant effect on the prices of the Company's common stock or the price of related derivative financial instruments (hereinafter "Inside Information"). In this regard:

"information shall be deemed to be of a precise nature" if: (a) it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred, or which may reasonably be expected to occur and (b) it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instrument. In this respect in the case of a protracted process that is intended to bring about, or that results in particular circumstances or a particular event those future circumstances or that future event, and also the intermediate steps of that process which are connected with bringing about or resulting in those future circumstances or that future event, may be deemed to be precise information;

"information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments and derivative financial instruments" mean information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

An intermediate step in a protracted process shall be deemed to be Inside Information if, by itself, it satisfies the criteria of Inside Information as referred to above.

The above disclosure requirement shall be complied with through the publication of a press release by the Company, in accordance with the modalities set forth under the MAR and Dutch and Italian law, disclosing to the public the relevant Inside Information.

Cementir Holding may, under its own responsibility, delay public disclosure of Inside Information provided that all of the following conditions are met: (a) immediate disclosure could prejudice the legitimate interests of Cementir Holding; (b) the delay in communication would probably not have the effect of misleading the public; (c) Cementir Holding is able to guarantee the confidentiality of such information.

In the case of a prolonged process that occurs in several stages and is intended to cause, or results in, a particular circumstance or event, Cementir Holding may, under its own responsibility, delay the public disclosure of Inside Information related to this process, under the conditions set out in points a), b) and c) above.

Cementir Holding, as well as persons acting on its behalf or on its account, shall draw up and keep regularly updated, a list of all persons who have access to Inside Information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to Inside Information, such as advisers, accountants or credit rating agencies (the "Insider List").

Cementir Holding or any person acting on its behalf or on its account, shall take all reasonable steps to ensure that any person on the Insider List acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of Inside Information.

CODE OF CONDUCT FOR INTERNAL DEALING

On 13 November 2019, the Board of Directors, in accordance with Dutch law, updated the Code of Conduct for Internal Dealing ("Code of Conduct"), which the Company first adopted on 1 April 2006, and during the financial year the Code of Conduct was further updated. The Code of Conduct guarantees the utmost transparency and consistency of information provided to the market, with regard to reporting obligations and limitations on the purchase, sale, subscription and exchange of Cementir Holding shares carried out by Managers (Company directors and senior executives with regular access to Inside Information relating, directly or indirectly, to the Company and with the power to make managerial decisions affecting the Company's future developments and business prospects) and Persons closely associated with them.

In accordance with European regulations, the Code of Conduct provides for a black-out period for trading in the Company's shares during the 30 calendar days preceding the Company's disclosure to the market of the data contained in the annual financial statements, half-yearly reports, interim management reports (or other comparable financial statements or reports for the period) that the Company is required to publish or has decided to publish.

DISCLOSURES PURSUANT TO DECREE IMPLEMENTING ART. 10 OF EU DIRECTIVE ON TAKEOVERS

In accordance with the Dutch *Besluit artikel 10 overnamerichtlijn* (the “Decree”), the Company discloses the following:

(a) Information on the structure of the capital of the Company and the composition of the issued share capital formed entirely by common shares, are detailed in the table here below.

Share capital structure

	No. shares	Percentage of share capital	Listed
Common shares	159,120,000	100%	Borsa Italiana - Euronext STAR Milan Segment

The authorised share capital of the Company amounts to five hundred million euro (EUR 500,000,000) and is divided into five hundred million (500,000,000) shares, each with a nominal value of one euro (EUR 1).

The issued share capital of the Company at 31 December 2024, subscribed and paid up, amounts to EUR 159,120,000 subdivided into 159,120,000 nominal shares of a nominal value of EUR 1.00 each.

Information on the rights attaching to the ordinary shares is in the Company’s Articles of Association, available on the Company’s website. In particular, the rights attached to Cementir Holding's ordinary shares include (i) option rights on the issue of ordinary shares; (ii) the right, in person or by proxy authorised in writing, to attend and address the General Meeting; (iii) voting rights and the right to dividend distributions to the extent that the Company's equity exceeds the sum of the paid-up and called-up portion of the capital and reserves that must be maintained by law or the Articles of Association.

(b) No restrictions apply to transfer of common shares.

(c) Information on direct and indirect shareholdings in the Company’s capital in respect of which notification requirements apply, pursuant to Sections 5:34, 5:35 and 5:43 of the Dutch Financial Supervision Act (Wet op het financieel Toezicht, hereinafter “WFT”) is in the Notes to the Financial Statements section, including the shareholders who hold 3% or more of the issued common shares on the basis of information published on the AFM (Stichting Autoriteit Financiële Markten) website and other information at the disposal of the Company.

(d) No special control rights or other rights accrue to shares in the capital of the Company.

(e) No employee shareholding scheme has been established as under Art. 1 sub 1(e) of the Decree, so there is no specific procedure for the exercise of voting rights by employees.

(f) No restrictions apply to voting rights attaching to common shares in the capital of the Company, nor deadlines for exercising voting rights. The Company is not aware of any depository receipts issued for shares in its capital.

(g) The Company is not aware of any agreements with any shareholder which may result in restrictions on the transfer of shares or limitation of voting rights.

(h) The rules governing the appointment and replacement of members of the Board of Directors are stated in Art. 7.2 of the Articles of Association and described in letter a) "Composition and nomination of the Board of Directors" above. According to Art. 11 of the Articles of Association a resolution to amend the Articles of Association may only be adopted by the General Meeting at the proposal of the Board. If a proposal to amend the Articles of Association is to be submitted to the General Meeting, it shall be so stated in the notice convening the meeting, and a copy of the proposal containing the text of the proposed amendment shall be held available at the Company's office for inspection by every shareholder and other persons with meeting rights, from the date of the notice convening the General Meeting until the conclusion of such meeting.

(i) The powers of Board members are detailed in the Articles of Association and in the Board Rules, both available on the Company's website. With particular reference to the power to issue shares, shares are issued pursuant to a Board resolution if the Board has been authorised to do so by a resolution of the General Meeting for a specific period with due observance of applicable statutory provisions. If and insofar as the Board is not authorised as previously referred to, the General Meeting may resolve to issue shares at the proposal of the Board.

   The Board may be authorised by the General Meeting to repurchase shares against payment. Authorisations to buy back treasury shares in the 2024 financial year have not been approved and are not in progress.

(j) The Company is not a party to any significant agreements which will take effect, will be altered or will be terminated upon a change of control of the Company following a public offer within the meaning of Section 5:70 of the WFT, except for a finance agreement signed in 2021 with a pool of banks. Pursuant to this agreement the Company is required to make early repayments if there is a change of the controlling shareholder. The Company's subsidiaries have in place loan contracts that include standard clauses of change of control that are consistent with the commercial practice.

(k) The Company did not enter into any agreement with a member of the Board or an employee providing for a compensation if they resign or are made redundant without a valid reason or if they resign, are made redundant or if their employment ceases as a result of a public offer within the meaning of Art. 5:70 of the WFT.

COMPLIANCE WITH THE DUTCH CORPORATE GOVERNANCE CODE

Companies with statutory seat in the Netherlands whose shares are listed on a regulated stock exchange or comparable system are required pursuant to the Code to disclose in their annual report to what extent they apply the Principles and Provisions of Best Practice of the Code and, if they do not apply certain Best Practice provisions, to explain the reasons why they have chosen to deviate.

The Company has a governance structure made up of a one-tier Board (the Board of Directors). Pursuant to chapter 5 of the Code and the related Explanatory Notes, the principles that pertain to the members of the supervisory board are applicable to Non-Executive Directors and the principles that pertain to the members of the management board are applicable to the Executive Director. In addition, the duties and responsibilities set out in section 1 up to including 4 of the Code to the extent they refer to the chairman of a supervisory board, fall in a company with a one-tier board structure, such as Cementir Holding, within the remit of the Non-Executive Directors. As for Cementir Holding, a Senior Non-Executive Director is appointed from among the Non-Executive Directors, who serves as chairman of meetings pursuant to Dutch law (Art. 2:129a of the Dutch Civil Code) and in accordance with Best Practice provision 2.1.9. of the Code, separately from the position of the Chairman and Chief Executive Officer, being the (sole) Executive Director of the Company.

As per the date of approval of the annual financial statements for 2024, Cementir Holding complies with the principles and Best Practice provisions of the Code, subject to the following observations and explanations in respect of each of the Best Practice provisions set out hereunder.

Best Practice Provision 2.1.7.

There are three (3) independent Non-Executive Directors out of a total of seven (7) Non-Executive Directors in office until the approval of the financial statements for the 2024 financial year. Accordingly, they are almost half of the total number of Non-Executive Directors. The other four (4) Non-Executive Directors are related to a shareholder holding ten percent or more of the issued share capital of the Company. In the view of Cementir Holding such board composition is appropriate, as it is consistent with the historical composition of the Board and as it reflects the ownership structure of Cementir Holding, with a shareholder owning a substantial majority of the issued share capital. In this regard, it should furthermore be pointed out that in Cementir Holding's country of origin, where it has a secondary and operational office (Italy), it is customary for a shareholder with a majority participation to also have a majority representation on the board.

Best Practice Provision 2.2.2.

Most of the Non-Executive Directors, who were re-elected for a further three-year term by the Company's Annual General Meeting on 20 April 2023, had already been in office for more than eight years at the time. Cementir Holding believes that renewal beyond the eight-year term set out in this Best Practice provision is appropriate, taking into consideration that, in light of the ownership structure characterising the Company, certain board members are of crucial importance and indispensable for the continuity of the Company and its business. In addition, it may be noted that the provisions of the Code only have become applicable to Cementir Holding as of 5 October 2019.

Best Practice Provision 3.4.2.

The main elements of the contract with the Executive Director were published on the Company's website in the context of the remuneration report.

Best Practice Provision 4.1.8 and 4.1.9.

The Non-Executive Directors justified their absence from the Annual General Meeting of 22 April 2024. The Executive Director participated via remote videoconference. The independent auditor also participated via remote videoconference in the General Meeting of 22 April 2024.

CONTROL AND RESPONSIBILITY STATEMENT

In accordance with best practice 1.4.3 of the Code, it is confirmed that:

• This report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems as set out in the Internal Control and Risk Management System section of this report, where no major failings were identified in the 2024 financial year;

• The internal risk management and control systems provide reasonable assurance that the 2024 financial reporting does not contain any material inaccuracies. The Internal Control and Risk Management System section of this annual report provides further details;

• In light of the current situation, financial reporting is prepared on a going concern basis, as management has assessed the existence of the requirement. Compliance with the Code is evident in factors such as the Group's strong cash position, the available credit facilities, the Group's risk management, and the Group's ability to meet its obligations without substantial restructuring or selling of its assets. For more detailed information, please refer to the Group Performance section of this annual report together with The Internal Control and Risk Management System as set out in the notes to the Consolidated Financial Statements section of this annual report;

• This report states those material risks and uncertainties that are relevant to the expectation of the Company's continuity for the period of 12 months after the preparation of the report. The Internal Control and Risk Management System section of this annual report together with the Group Performance section provide a clear substantiation of the abovementioned statement.

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement, provided for under the Dutch *Besluit inhoud bestuursverslag*, can be found on the company's website www.cementirholding.com.

REPORT OF THE NON-EXECUTIVE DIRECTORS

INTRODUCTION

This report has been drafted in compliance with the Best Practice provision 5.1.5 of the Code: *"The Non-Executive Directors render account of the supervision exercised in the past financial year. They should, as a minimum, report on the items referred to in best practice provisions 1.1.3, 2.1.2, 2.1.10, 2.2.8, 2.3.5 and 2.4.4 and, if applicable, the items referred to in best practice provisions 1.3.6 and 2.2.2".*

SUPERVISION BY THE NON-EXECUTIVE DIRECTORS

In compliance with the Articles of Association, the Board of Directors, as a result of its appointment by the General Meeting of 20 April 2023, until the approval of the financial statements as at 31 December 2025, is made up of an Executive Director (Francesco Caltagirone, CEO) and seven Non-Executive Directors (Alessandro Caltagirone, Azzurra Caltagirone, Saverio Caltagirone, Fabio Corsico, Adriana Lamberto Floristan, Benedetta Navarra and Annalisa Pescatori).

The Non-Executive Directors of the Company are responsible for the supervision of the Executive Director's conduct and performance of duties, the Company's general affairs and its business, developing a general strategy, including the formulation of the strategy for realising long-term sustainable value creation and taking into account risks connected to the Cementir Group's business activities.

Non-Executive Directors also supervise at least the following key elements:

- ensuring compliance with all relevant laws and regulations, the Articles of Association and good corporate governance practice;
- integrity and quality of financial and sustainability reporting, ensuring the adequacy of financial controls and risk management systems; and
- reviewing the performance of the Board as a whole, each Director individually, and the committees of the Board.

Cementir Holding has a one-tier board structure, consisting of Executive and Non-Executive Directors, consequently the Non-Executive Directors exercise their duties during the meetings of the Board of Directors and, limited to its members, of the Board Committees. The Board of Cementir Holding is also composed of 7 Non-Executive Directors out of the 8 directors from which it is formed. The Audit Committee and the Remuneration and Nomination Committee are composed exclusively of independent Non-Executive Directors while the Sustainability Committee is currently composed of four directors, three of whom are non-executive and independent.

With particular regard to participation in the formulation of the long-term sustainable value strategy and the supervision of the Non-Executive Directors on its implementation, the Non-Executive Directors defined, within the work of the Board of Directors, the concrete strategy and vision of the Company and the Group, evaluating and considering the possible challenges and risks associated with its implementation. For more details, please refer to the other sections of the Directors' Report.
With regard to the supervision exercised in relation to the policies put in place by the Executive Director and the general conduct of the Company's and the Group's affairs, the Non-Executive Directors, at the meeting of the Committees, for those who are members of them, as well as collectively within the Board, assessed the internal control and risk management system as adequate and effective and also examined the financial and sustainability reporting process.

During 2024, supervision of the Non-Executive Directors as part of the activities of the committees was carried out, inter alia, while performing the following activities:

- the examination, discussion and approval of risk assessment during the Audit Committee. Every year, Cementir Holding updates the risk assessment model for Group companies, in accordance with the Enterprise Risk Management - Integrated Framework. The Integrated Risk Management process is based on a top-down and risk-based approach, starting from the definition of Cementir Holding's Business Plan with reference to strategic, financial, operational, compliance and sustainability risks. With this process, the main risks are identified, assessed, managed and monitored taking into account the operations, risk profiles and risk management system of each business unit, to achieve an integrated risk management process. The main risks were discussed by the Non-Executive Directors constituting the Audit Committee at the meeting of 4 November 2024, who assessed the identified risks as being consistent with the Group's activities and strategy, and the measures and actions (short- and long-term) defined by management to contain the risks within the desired level. In this way, the Non-Executive Directors supervised the organisational process of identifying, assessing and managing risks and opportunities, actively participating in the process and also approving its contents at the Board of Directors on 6 November 2024;
- the approval first by the Sustainability Committee on 4 March 2024 and, subsequently, by the Board of Directors on 11 March 2024 of the Sustainability Report – Non-Financial Statement 2023 where long-term objectives are set in order to create long-term sustainable value.
- the examination by the Nomination and Remuneration Committee on 8 March 2024 of the Remuneration Report and the Remuneration Policy and subsequent proposal to the Board of Directors which discussed and approved these documents and resolved to submit them for approval at the General Meeting;
- the assessment of adequacy and effectiveness in relation to the internal control and risk management system and the examination of the financial and sustainability reporting process, which took place during the Audit Committee and Sustainability Committee on 8 March 2024 and the Sustainability Committee of 4 March 2024 and the subsequent Board of Directors meeting of 11 March 2024.

Non-Executive-Directors held the yearly meeting recommended by Best Practice provisions of the Code, on 11 March 2024.

More details regarding the role, the composition and the activities carried out by the Non-Executive Directors, including the “Personal Information” pursuant to Best Practice provision 2.1.2 of the Code, are set forth in the paragraph "*Board of Directors*" of the "*Corporate Governance*" section above.

INDEPENDENCE OF NON-EXECUTIVE DIRECTORS

Pursuant to Best Practice provision 2.1.10 of the Code, the Report of the Non-Executive Directors, should state if the independence requirements referred to in Best Practice provisions 2.1.7 to 2.1.9 inclusive have been fulfilled and, if applicable, should also state which Non-Executive Director(s), if any, is not considered to be independent.

The independent Non-Executive Directors in office until the approval of the financial statements for the year 2025 are Adriana Lamberto Floristan, Annalisa Pescatori and Benedetta Navarra while the non-independent Non-Executive Directors are Alessandro Caltagirone, Azzurra Caltagirone, Saverio Caltagirone and Fabio Corsico. Therefore, there are three (3) independent Non-Executive Directors out of a total of seven (7) Non-Executive Directors and thus they are almost half of the total number of Non-Executive Directors; the other four (4) Non-Executive Directors are related to a shareholder holding ten percent or more of the issued share capital of the Company. In the view of Cementir Holding such board composition is appropriate, as it is consistent with the historical composition of the Board and as it reflects the ownership structure of Cementir Holding, with a shareholder owning a substantial majority of the issued share capital. In this regard, it should furthermore be pointed out that in Cementir Holding's country of origin, where it still has a secondary and operational office (Italy), it is customary for a shareholder with a majority participation to also have a majority representation on the board.

Pursuant to provision 2.1.9 of the Code, the Board of Directors, on 27 April 2023, appointed Adriana Lamberto Floristan as Senior Non-Executive Director among the Non-Executive Directors, with the role of chairing the Board as prescribed by Dutch law (Art. 2:129a of the Dutch Civil Code) and in accordance with the Company's Articles of Association and Article 2.3.7 of the Board Rules, as distinct from the office of Chairman and Chief Executive Officer, which is held by the sole Executive Director.

Finally, with reference to provision 2.2.2 of the Code, most of the Non-Executive Directors who were re-elected for a further period of three years by the Company's General Meeting of 20 April 2023, had already been in office for over eight years at the time. Cementir Holding believes that renewal beyond the eight-year term set out in this Best Practice provision is appropriate, taking into consideration that, in light of the ownership structure characterising the Company, certain board members are of crucial importance and indispensable for the continuity of the Company and its business. In addition, it may be noted that the provisions of the Code only have become applicable to Cementir Holding as of 5 October 2019.

With said clarifications, the independence requirements set forth in Best Practice provision 2.1.10 of the Code are otherwise met. On the basis of the declarations received from the independent directors and the discussion carried out during the annual verification of the requirements for the Company's permanence on the Euronext STAR Milan segment, the Remuneration and Nomination Committee and, subsequently, the Board of Directors, verified the existence of the independence requirements of the same directors qualified as such.

ASSESSMENT BY THE NON-EXECUTIVE DIRECTORS

Pursuant to provisions 2.2.6 and 2.2.8 of the Code, the Non-Executive Directors of Cementir Holding have conducted, for the financial year 2024, an assessment of the size, composition and functioning of the Board, the Committees and its individual members, also focusing on substantial aspects, conduct, culture, interaction and mutual collaboration, significant concrete events, indicating: (i) the method by which the assessment of the Non-Executive Directors was conducted, both as a whole and individually, and the assessment of the committees; (ii) the method by which the Executive Director’s assessment was conducted; (ii) concluding remarks and suggestions for possible improvements in the functioning of the Board.

The assessment is carried out yearly by the Directors filling in questionnaires regarding the size, composition and functioning of the Board, its members and committees and, upon their request, through a personal interview. Cementir Holding’s Corporate Affairs Department deals with the collection and management of feedback confidentially. For the financial year 2024, the questionnaire was supplemented in order to collect the information required by the Corporate Sustainability Reporting Directive (“CSRD”), in particular with a higher level of disclosure regarding the requirements and competences of directors and the positions held by them. The assessment takes into account the replies of the Non-Executive Directors who expressed their views completing the aforementioned questionnaires.

There was general satisfaction with the functioning of the Board of Directors and Committees during 2024, confirming and even improving on the positive results of the previous year.

The Non-Executive Directors unanimously confirmed in their self-assessment the proper implementation of their supervisory duties, overseeing the activities of the Executive Director and providing the latter with assistance and direction, in particular with regard to: (a) development of a general long-term value creation strategy, taking into account the risks associated with the Cementir Group's business activities; (b) compliance with applicable rules and regulations, the Articles of Association and good corporate governance practices; (c) integrity of financial information and adequacy of financial controls and risk management system; d) performance of the Board as a whole, of each Director and of the Committees. A similar unanimous positive assessment was given regarding the continuous and effective interaction among Non-Executive Directors, Executive Directors and Company bodies.

The Non-Executive Directors confirmed the Board’s commitment to achieving greater diversity and inclusion in its composition and in the composition of the Company's senior management, including through the determination of challenging targets, in order to create an increasingly differentiated and inclusive work environment. They also all agreed on the role played by the Board of Directors, in accordance with the division of tasks between executive and non-executive directors, in pursuing the objective of creating long-term sustainable value. The Board's role in monitoring the internal control and risk management system has been widely recognised, including the supervision of Non-Executive Directors with the help of the Group's whistleblowing system and the verification and control activities carried out by the internal audit function; equally ample recognition was given to the contribution of substantial independence made by the independent directors. All of the Directors positively evaluated the knowledge of the corporate culture.

It was noted with particular appreciation that, in acceptance of the suggestions that emerged during the self-assessment process for the 2023 financial year, an intervention by the Executive Director on events with a strategic impact and on the main potential risks, including geopolitical risks, is envisaged at the opening of each meeting of the Board of Directors. In addition, four induction sessions were organised for directors during the year, including three training sessions with the participation of the Company's management on topics that had been indicated by the independent directors and a visit to the plant in Aalborg, Denmark, in order to increase knowledge of the business and in-depth study of the Group's specialised areas, while also increasing the level of knowledge among the Board members. More details on the activities of the Ethics Committee were provided in both Board and Committee meetings, as also reflected in the answers to the self-assessment questionnaire. With regard to any additional expertise, the Company's decision to refer to employees within the Group for technical expertise, for example in cybersecurity and digitalisation, while providing in-house training to directors, received specific consensus. Finally, the information flow consisting in the documentation and with the timing required by the independent directors between meetings continued and received positive evaluation.

Among the Board's areas of excellence were: the stability of the office of Chairman and Chief Executive Officer, both in terms of the professionalism with which he carries out his duties and role and the passion and dedication he displays; the strong commitment of the members and their high level of professionalism - whose diversity of experience and background enriches the Board with different points of view - the team spirit, the specific expertise, in particular in the areas of markets and finance, ESG and risk control.

This year the survey covered also business conduct issues and all directors who specifically responded agreed that the skills and experience of the current members of the Board and its Committees were reviewed and considered appropriate for the oversight of sustainability issues at the time of their appointment and were further developed and broadened following the specific training received in numerous induction sessions, and that skills and experience in relation to the material impacts, risks and opportunities of the Company and the Group were also assessed at the meetings of these bodies. Of particular value and appreciation was the information on sustainability and in relation to ongoing projects provided both during training sessions and board meetings. Almost all of the directors who participated in the self-assessment process confirmed that they have significant experience in relation to Cementir Holding N.V.'s business sector, products and geographical location, as well as specific expertise in business conduct matters.

It is also noted that the Company's management structures were found to be adequate and effective in achieving its objectives and the interaction between bodies constructive and appropriate.

With regard to the proposals made by some directors on possible areas of action during the year, particular attention is confirmed to training and information activities of various kinds, including visits to production plants, such as the one organised in 2024, which were recognised as being of great value and interest both in terms of improving knowledge of the Group's industrial activities and structures and management, and as an opportunity for further in-depth study of management succession plans. In general, while considering the adequacy of the current composition of the Board, M&A and Energy Transition competencies were highlighted as areas for further improvement.

In addition, the continuation of the Executive Director's illustration to the Board of the geopolitical situation, strategic issues and/or potential risks for the Company, which was highly appreciated during the self-assessment, was requested, suggesting an even more frequent updating of the Board members (also between meetings) on the main events affecting the Company and the Group. This is in addition to the periodic information flow provided for at the request of the independent directors, which was positively received, and the possible participation of Group managers in the case of particular projects or issues.

Particularly appreciated was the contribution of all Committees, all of which, for matters within their competence, enabled a relationship of growing cooperation and trust to be established with the Board of Directors and top management, also thanks to the presence of the Executive Director in the Sustainability Committee and the constant updating and analysis work carried out during the year on CSRD and Internal Audit activities for the Audit Committee and the in-depth study on Group policies relative to the Group Talent Review and succession plans for the Remuneration and Nomination Committee.

In relation to the Audit Committee, the Non-Executive Directors who expressed their views appreciated and were in agreement with the contribution of this Committee and deemed its composition to be adequate. They also agreed that the Audit Committee should periodically give the Board of Directors an accurate, effective and substantial picture of the control activities to be carried out, with an indication of the priorities. The Non-Executive Directors expressed the opinion that the Committee promptly provides the Board of Directors with the necessary documentation and information and that the activities carried out are explained to the Board of Directors in a clear and effective manner. One member pointed out that the Committee's most significant contribution to the Board of Directors is its awareness of the Committee's effective examination of issues and the effectiveness of the information flow established.

All the members of the Audit Committee considered the average number and duration of meetings held in 2024 to be adequate and unanimously considered that the risk assessment and the consequent monitoring of the main risks by the Company are carried out satisfactorily and that the relationship between the Committee in question and the Group departments is continuous and effective. All members also agreed that the organisational framework for risk governance is adequate and satisfactory. The Audit Committee has the technical skills and experience necessary for the credible and effective performance of its functions and all members have had the opportunity to access information relevant to the exercise of their role, even in the interval between scheduled meetings.

The members ensured total attendance at the meetings of the Audit Committee (more details can be found in Table B - “Attendance” in the “Corporate Governance” section, paragraph “*Role of the Board of Directors*”).

More information regarding the role, the composition and the activities carried out by the Audit Committee, are set forth in the “Corporate Governance” section, paragraph "Board Committees".

In relation to the Remuneration and Nomination Committee, the Non-Executive Directors who expressed their views appreciated and were in agreement with the contribution of this Committee and deemed its composition to be adequate.

The majority of the Non-Executive Directors considered the Committee's input to the Board on the remuneration of the Executive Director and the remuneration systems in place to be effective and substantial. Three Non-Executive Directors assessed as effective and substantial the contribution made to the Board concerning any need for the appointment of directors, profiles considered and evaluation/motivation of the proposed solutions, and one Non-Executive Directors clarified that he had not expressed his opinion because the need had not arisen in the time frame under consideration.

On the other hand, the Non-Executive Directors expressed their unanimous opinion that the Committee timely provides the Board of Directors with the necessary documentation and information and that the activities carried out were clearly and effectively illustrated to the Board of Directors and the related recommendations were adequately discussed, having an impact on the decisions of the Board itself.

The members of the Remuneration and Nomination Committee all deemed the number and average duration of the meetings held in 2024 to be adequate. The Remuneration and Nomination Committee, as a whole, possesses the skills and experience necessary for the credible and effective performance of its functions, and its members have had access to information relevant to the exercise of their role.

The members ensured total attendance at the meetings (more details can be found in Table B - “Attendance” in the “Corporate Governance” section, paragraph “*Role of the Board of Directors*”).

More information regarding the role, the composition and the activities carried out by the Remuneration and Nomination Committee, are set forth in the “*Corporate Governance*” section, paragraph "Board Committees".

With regard to the Sustainability Committee, the Non-Executive Directors who expressed their views all considered the contribution of this Committee to be appreciated and agreed that its composition was adequate. A Non-Executive Director emphasised the importance of the presence of the Chairman and CEO on the committee as well as the importance of its interaction with the operatives of the various Group companies.

In addition, 5 Non-Executive Directors, recognising that the activities of the Sustainability Committee were carried out satisfactorily and in accordance with the tasks and responsibilities laid down in the Charter, expressed their concurring opinion on the effectiveness of the role played by the Committee for the benefit of the Board in relation to the development and promotion of a healthy, safe and secure environment for all stakeholders and more generally in relation to sustainable development and social responsibility.

The Non-Executive Directors expressed the view that this Committee supports the decisions of the Board of Directors by providing the necessary assistance and technical support, and in particular one Non-Executive Director expressed great appreciation for the very establishment - by the Company - of the Committee in question, since it is not mandatory by law.

All the members considered the number of meetings held to be adequate, as well as the duration and satisfactory attendance with respect to the topics on the agenda, pointing out - one member - that the expertise of the Company and the Sustainability Committee in the subject matter is not only uncommon in the corporate landscape, but also enables it to manage sustainability both from the point of view of social and environmental impact, and from the point of view of creating value, including economic value in the medium and long term.

All the members also believe that the members possess the necessary skills and experience, and in particular one member points out that the induction sessions held were also useful in this respect, and another points out that there is a proper balance within the Committee from the operational and strategic aspects of the cement sector due to the presence of the Chairman, the generic ESG and financial expertise from the investors' point of view, the contribution of the other Board members in other sectors and the valuable training by the Company's technicians.

All members of the Committee attended the meetings (more details are given in Table B - “Attendance” in the “Corporate Governance” section, paragraph “*Role of the Board of Directors*”).

More information regarding the role, the composition and the activities carried out by the Sustainability Committee, are set forth in the “*Corporate Governance*” section, paragraph "Board Committees".

COMMITTEE REPORTS

Pursuant to Best Practice provision 2.3.5 of the Code, the Non-Executive Directors received the reports of each Committee.

By resolution of 27 April 2023, the Board of Directors established the Audit Committee, the Sustainability Committee and, combining the tasks of the remuneration committee and the selection and appointment committee into a single committee, the Remuneration and Nomination Committee.

The duties and responsibilities of these Committees are defined in the respective charters (published on the Company's website) approved by the Board of Directors pursuant to Art. 7.1.4 of the Articles of Association and updated on 27 April 2023 in light of the new provisions of the Code.

The Audit Committee is currently made up of 3 (three) Non-Executive Directors, all independent: Benedetta Navarra (Chairman), Annalisa Pescatori and Adriana Lamberto Floristan.

The Remuneration and Nomination Committee is currently made up of 3 (three) Non-Executive Directors, all independent: Annalisa Pescatori (Chairman), Benedetta Navarra and Adriana Lamberto Floristan.

The Sustainability Committee is currently composed of 1 (one) Executive Director, Francesco Caltagirone (chairman) and 3 (three) independent Non-Executive Directors: Benedetta Navarra, Annalisa Pescatori and Adriana Lamberto Floristan.

Further information relating to the number of meetings, the performance of the tasks assigned and the main topics discussed in the meetings of the Committees, are contained in the "Corporate Governance" section in the paragraphs "Audit Committee", "Remuneration and Nomination Committee" and “Sustainability Committee”.

The participation of Non-Executive Directors in the meetings of their respective Committees to which they belong, also for the purposes of the disclosure established in Best Practice provision 2.4.4, is detailed in the “Corporate Governance” section, Table B of the paragraph “*Role of the Board of Directors*”.

REMUNERATION REPORT

REMUNERATION OF DIRECTORS

Introduction

It is worth highlighting that the main financial results in 2024 that could influence the Group Remuneration were:

a) Net cash of EUR 290.4 million (net cash of EUR 217.6 million in 2023);
b) EBIT at EUR 262.0 million (EUR 278.3 million in 2023).

The Board of Directors was renewed by the Shareholders' Meeting of 20 April 2023 for a three-year term, reducing the number of members from 10 to 8, of which one Executive Director and seven Non-Executive Directors.

The Board then established the Board Committees, appointing the members of the Audit Committee, the Remuneration and Nomination Committee and the Sustainability Committee as well as their respective Chairmen by resolution of 27 April 2023.

This report (hereinafter the "**Remuneration Report**") consists of the following sections:

- **Section I**, which illustrates the policy of Cementir Holding N.V. (hereinafter "**Cementir Holding**" or "**Company**") regarding the remuneration of Executive and Non-Executive Directors (hereinafter, jointly, "**Directors**") for 2025, as well as the procedures used for the adoption and implementation of the policy. The Remuneration Policy for 2025, effective from 1 January 2025, remained overall unchanged compared to the previous year; consistent with the most recent trends in best market practices, the method of calculating the variable component of the Chairman's remuneration was changed to include ESG objectives and subject it to a cap (maximum amount payable).

- **Section II**, which describes how the remuneration policy was implemented with reference to Directors and indicates the amounts paid during 2024 to Directors, providing a representation of each remuneration component.

Please refer to the terms of the 2024 Remuneration Policy, effective from 1 January 2024, approved by the Shareholders' Meeting on 22 April 2024 with 91.79% of the votes cast and available on the Company's website, www.cementirholding.com. There have been no deviations or derogations from the approved Policy.

The 2023 Remuneration Report was submitted to the non-binding and advisory vote of the General Meeting on 22 April 2024 and again received the favourable vote of the overwhelming majority of shareholders, amounting to 93.76% of the votes cast, with only 6.24% voting against.

Given the broad consensus received, it was therefore deemed appropriate to maintain the same approach for this Remuneration Report, without changes to its structure and level of disclosure.

In this Remuneration Report, Cementir Holding intends to strengthen the transparency of the contents of its remuneration policies and their implementation, allowing investors to obtain information on remuneration, including variable remuneration, and enabling them to make an even more accurate assessment of the Company, thereby enabling shareholders to act in an informed manner when exercising their rights.

The Remuneration Report shall be drawn up in accordance with articles 2: 135, 2: 135a and 2: 135b of the Dutch Civil Code (hereinafter "**DCC**") and Chapter 3 of the Dutch Corporate Governance Code (hereinafter the "**Code**"). It was approved by the Board of Directors upon proposal of the Remuneration and Nomination Committee (hereinafter also the "**Committee**" in this Remuneration Report) at the meeting of 10 March 2025.

Section I is to be submitted to the approval of the Shareholders' Meeting called for 28 April 2025. Section II is to be submitted to the advisory vote of the Shareholders' Meeting called for 28 April 2025.

The Remuneration Report is made available on the Company's website (*www.cementirholding.com*) after the General Meeting and will be accessible for 10 (ten) years, in compliance to the procedures and within the terms prescribed by current regulations.

SECTION I – REMUNERATION POLICY 2025

This section of the Remuneration Report describes, in a comprehensive manner, the principles and guidelines with which Cementir Holding determines and monitors the remuneration policy and its implementation within the Company (hereinafter the "**Remuneration Policy**" or the "**Policy**").

The Policy has the primary objective of creating sustainable value over the medium to long-term by creating a strong bond between individual performance and the Group on the one hand, and remuneration on the other.

The Remuneration Policy summarises the remuneration policies applied within the Group and aimed at ensuring a fair and sustainable remuneration system, in line with the long-term corporate strategies and objectives, with regulations and with Stakeholders' expectations.

The total remuneration of Directors, which is deemed appropriate to the size and structure of the Group, the sector of activity carried out and the level of complexity of the business, contributes to the long-term performance of the Company as it enables the Company to attract and retain qualified and experienced Directors, motivating them to achieve the Company's business, financial and strategic objectives and their implementation for the creation of long-term sustainable value for all stakeholders consistent with the Company and Group's founding values and culture.

The Policy also aims to attract and retain members of staff with the professional qualities necessary to manage and operate successfully in an international environment characterised by competitiveness and complexity, recognising and rewarding good performance.

Cementir Holding intends to adopt a competitive remuneration system that guarantees the delicate balance between strategic objectives and the recognition of the merits of Group employees. By using short and medium to long-term variable remuneration components, the Policy is designed to facilitate the alignment of staff interests with the pursuit of the overriding objective - value creation - and the achievement of financial and sustainability goals. This objective is pursued also by linking a significant part of remuneration to the achievement of set performance targets, by means of both the short-term incentive scheme (STI) and the long-term incentive scheme (LTI). The LTI concerns selected employees only.

The principles applied in defining the Policy are intended to ensure that Cementir Holding is appropriately competitive in its sector and international markets, are in particular:

- the promotion of merit and performance to reward actions and behaviours that reflect the values of the company, the principles of the code of ethics and the strategic objectives;
- external competitiveness and internal fairness to make sure that pay packages are in line with best practices, and to ensure that they are consistent with the complexity and responsibilities of the role;
- aligning the interests of Management with those of the Shareholders and with the medium-and long-term strategies of the Company;
- Alignment between the values of the Cementir culture (e.g. sustainability, value of people, etc.) and the leadership and competency model consistent with business objectives; skills derived from the Cementir Group's culture are also assessed in the context of the STI as further confirmation and reinforcement of the propensity towards the values of the corporate culture;

- the inclusion of specific quantitative KPIs linked to ESG objectives in the STI plan, contributing to the implementation of the corporate strategy and the pursuit of long-term interests and sustainability objectives;
- a focus on rewards and retention purposes based on meritocracy;
- the consideration of the point of view of the Executive-Director and the Board in its entirety, as also provided for by the Code;
- balancing continuity with the choices already made in the past and endorsed by shareholders and the approval of the General Meeting of the proposals presented and, at the same time, a periodic assessment in the light of the international trend, the market practice for comparable companies and the regulatory changes;
- transparency regarding the remuneration system implemented and envisaged for the following year, in accordance with the provisions of the Code and applicable legislation.

1.1 DEFINITION AND APPROVAL OF THE REMUNERATION POLICY

Parties involved in the Remuneration Policy

The definition of the Remuneration Policy is the result of a clear and transparent process in which the Company's *Remuneration and Nomination Committee* and Board of Directors play a central role.

The Policy is submitted for the approval of the General Meeting by the Board of Directors on the recommendation of the *Remuneration and Nomination Committee*. The Policy is deemed approved with the favourable vote of at least ¾ of the votes cast at the General Meeting. In case the Policy is not approved by the General Meeting, the Company applies the existing policy and submits to the approval of next General Meeting a revised policy.

The bodies and parties involved in the remuneration policies approval process are listed below, along with a precise indication of their roles in the process.

General Meeting

With regard to remuneration, the General Meeting:

- adopts the remuneration policy upon proposal of the Board, pursuant to Art. 7.4.1 of the Company's Articles of Association;
- determines the compensation for the Executives and Non-Executive Directors as well as for the members of the board committees (Audit Committee, *Remuneration and Nomination Committee* and *Sustainability Committee*), in accordance with the remuneration policy, as provided for in Art. 7.4.2 of the Company's Articles of Association;
- expresses a vote, each year, on the first section of the remuneration report, i.e. on the Remuneration Policy;
- receives adequate disclosure about the implementation of remuneration policies and express an advisory vote, each year, on the second section of the Remuneration Report, i.e. on the report on compensation paid;
- resolves on any remuneration plans based on shares or other financial instruments and intended for Directors, employees and other workers, including Key Executives.

Board of Directors

With regard to remuneration, the Board of Directors:

- submits a remuneration policy proposal to the General Meeting pursuant to Art. 7.4.1 of the Articles of Association, drawn up with the support of the *Remuneration and Nomination Committee*;
- develops the strategy for realising long-term value creation;
- approves the Remuneration Report pursuant to Articles 2:135 and 2:135a DCC, to be presented at the annual General Meeting;
- prepares any remuneration plans based on stocks or other financial instruments and submits them to the General Meeting for approval;
- implements the remuneration plans based on shares or other financial instruments, after authorisation from the General Meeting.

Non-Executive Directors

The Non-Executive Directors are responsible for overseeing the following within their remit:

- the performance of the Executive Directors;
- the development of a general strategy, including the strategy for realising long-term sustainable value creation.

Executive Directors

The Executive Director, who in this case also assumes the role of CEO pursuant to Art. 7.1.2 of the Articles of Association:

- sets performance targets for the Cementir Group;
- submits to the *Remuneration and Nomination Committee* the stock incentives, stock options, corporate shareholding and other types of incentive plans, motivating and retaining the managers of the Group companies controlled by the Company or, as the case may be, assisting the Committee in their drafting, with the support also of the Group's Human Resources department;
- enforces the Company’s Remuneration Policy in accordance with this document.

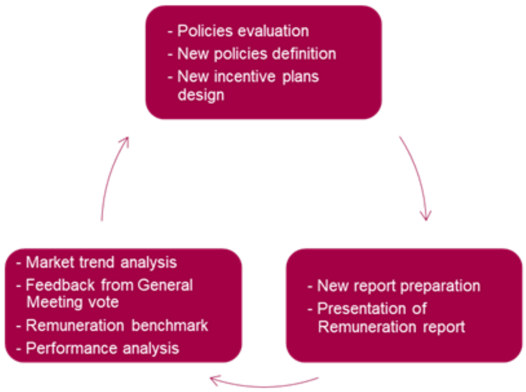
Remuneration and Nomination Committee

In accordance with the recommendations contained in the Code and the Board of Directors Rules, the *Remuneration and Nomination Committee*:

- prepares the Board’s decision-making (including proposals of the Board for the General Meeting) regarding the determination of the remuneration of individual Directors, including severance payments;
- submits a proposal to the Board concerning the remuneration of each Director. The proposal is drawn up according to the remuneration policy that has been established and in any event it covers:

(a) the objectives of the strategy for the implementation of long-term sustainable value creation within the meaning of Best Practice provision 1.1.1 of the Code;
(b) the scenario analyses carried out in advance;
(c) the pay ratios within the Company and the Group;

(d) the development of the market price of the shares;
(e) an appropriate ratio between the variable and fixed remuneration components. The variable remuneration component is linked to measurable performance criteria determined in advance, which are predominantly long-term in character;
(f) if shares are being awarded, the terms and conditions governing this. Shares should be held for at least five years after they are awarded; and
(g) in the case of the assignment of share options, the terms and conditions governing them, as well as the terms and conditions for the exercise of share options. Share options may not be exercised during the first three years after they have been awarded.



Human Resources

The Company's HR Department is involved in defining and approving the proposals for the remuneration plan of the Company's personnel, monitoring and checking that those proposals are fully implemented with the aim of collecting market data in terms of practice, policies and benchmarking and if necessary, resorting to advice from independent experts.

Composition and activities of the Remuneration and Nomination Committee

As of the date of approval of this Report, the *Remuneration and Nomination Committee* is made up of three Non-Executive Directors, all independent, appointed by the Board of Directors at the meeting of 27 April 2023:

Composition of the Committee

Annalisa Pescatori	*Non-Executive independent Director and Chairwoman of the Committee*
Benedetta Navarra	*Non-Executive independent Director and member of the Committee*
Adriana Lamberto Floristan	*Non-Executive independent Director and member of the Committee*

The *Remuneration and Nomination Committee* provides advice and submits proposals to the Board of Directors, and supervises to ensure that the Remuneration Policy is defined and applied; specifically it prepares the Board of Directors' decision-making regarding the:

- periodical assessment of size and composition of the Board and its Committees, and the proposal for the profile of the Board also in regard to the professional roles whose presence within the Board or the Board Committees is deemed necessary in order for the Board to express its strategy to shareholders before the new Board is appointed, also taking into account the results of the annual assessment of the Board and the Board Committees as required by the Code;

- drawing up of selection criteria and appointment procedures for Executive Directors and Non-Executive Directors;
- drawing up of a succession plan for Executive Directors and Non-Executive Directors;
- proposal of candidates for the office of Executive and Non-Executive Directors;
- supervision of the policy of the Board regarding the selection criteria and appointment procedures for senior management;
- developing the Company's diversity, equity and inclusion policy for the composition of the Board and certain employees in senior management positions.

In addition:

- submits proposals to the Board of Directors regarding the remuneration policy for Executive and Non-Executive Directors, periodically assessing the performance of individual Executive Directors and Non-Executive Directors and reporting this to the Board;
- submits proposals or provides opinions to the Board of Directors regarding the remuneration of Executive and Non-Executive Directors with specific duties, and on the setting of performance targets related to the variable-pay component;
- evaluates and formulates proposals to the Board of Directors with regard to stock incentive, stock option, corporate shareholding and similar plans aimed to motivate and retain the managers and employees of the Group companies controlled by the Company;
- reports to the Board on the ways it performs its duties;
- examines the annual Remuneration Report to be approved by the Board and submitted to the vote of the General Meeting as part of the annual financial reports;
- provides opinions on issues submitted to it from time to time for screening by the Board of Directors, concerning remuneration or any pertinent or related topics.

The Non-Executive Directors, including those forming the *Remuneration and Nomination Committee*, can access the information and contact Company departments as necessary, in order to fulfil their duties.

The *Remuneration and Nomination Committee* meets during each financial year according to a calendar scheduled by the beginning of such year and any time it may deem appropriate, upon notice issued by the Chairman of the Committee, so as to ensure the correct execution of its tasks. No Executive Director shall participate to any Committee meeting where proposals related to their remuneration are discussed.

Meetings of the *Remuneration and Nomination Committee* are attended - when deemed appropriate and at the invitation of the Committee - by Company's management (General Counsel and Chief Human Resources Officer).

Annually, on the occasion of the approval of the financial statements, the Remuneration and Nomination Committee reports to the Board in relation to its work.

During 2024, the Remuneration and Nomination Committee met on 8 March, 8 May and 4 November. During these meetings, the Remuneration and Nomination Committee examined and discussed, among other things, the remuneration policy and the report on remuneration drawn up in accordance with Art. 2:135a of the Dutch Civil Code and Best Practice provision 3.1 and following of the Code, as well as the report concerning the activity carried out by the Committee in 2023, drawn up in accordance with Best Practice provision 2.3.5 of the Code; discussed the annual assessment carried out by the members of the Committee pursuant to Best Practice provision 2.2.6 of the Code; discussed and verified the independence requirements in the context of the review of the requirements for membership in the Euronext Star Milan segment; verified the achievement of the gender diversity targets set for 2023 and approved the proposed DE&I targets for 2024, determined in accordance with current legislation, to be submitted to the Board of Directors for approval. The Remuneration and Nomination Committee also examined and discussed the state of implementation of the LTI plans with particular reference to the payment of the fees provided for under the LTI 2021-2023 Plan as well as the allocation criteria and the setting of the objectives relating to the 2024-2026 LTI Plan; also examined the assigned ESG objectives included in the STI Plan; finally, received the periodic update on the Succession Plan for the Company's personnel.

Independent experts who contributed to preparing the Remuneration Policy

As mentioned in the previous years' Reports, the Company took advantage of the advice of the independent expert Korn Ferry to conduct international benchmark analyses and to align the Remuneration Policy, reiterated in substantially the same way in subsequent years, with the best practices of competitors and the market.

1.2 CONTENT OF THE REMUNERATION POLICY

1.2.1 Content of the Remuneration Policy and main changes compared to 2024

The Policy determines the principles and guidelines adopted by the Board in order to define the remuneration of its members and in particular of Executive and Non-Executive Directors as well as members of the Committees. It provides detailed information to ensure stakeholders receive more information about pay policies, practices adopted and results achieved, and it shows that the policies are consistent with the Company's business strategy and performance.

The 2025 Remuneration Policy does not envisage substantial changes compared to that approved in 2024, except as indicated below:

- confirming the simplification and standardisation of the overall structure of the short-term variable incentive system, thanks mainly to the digitalisation of the process through an online definition and subsequent assessment platform;
- continuously strengthening the number and relevance of the objectives related to the company's sustainability strategy at different organisational levels, confirming the extension of the audience of interested parties for all ESG issues;
- consistent with the most recent trends in best market practices, the method of calculating the variable component of the Group CEO and Chairman's remuneration was changed to include ESG objectives and subject it to a cap (maximum amount payable).

As a result of the establishment of the Sustainability Committee, a benchmark analysis was carried out by the Company's departments (in particular the Human Resources department with the contribution of the Legal Department) to verify alignment with the market and the Remuneration Policy was reviewed with reference to market practices.

The Policy also maintains and confirms the medium and long-term incentive system applied in previous years.

The Remuneration and Nomination Committee, at its meeting on 10 March 2025, reviewed this report and the criteria selected to assess the variable remuneration of the Executive Director and the performance of the strategic executives and Group personnel receiving variable remuneration. The *Remuneration and Nomination Committee* then assessed the Remuneration Policy from the point of view of its consistency with the objectives of the Company and Group, with particular reference to its suitability to contribute to the creation of long-term value. In particular, the ESG objectives included for some beneficiaries of the incentive plan addressed to Group employees were illustrated and discussed in detail, as a further demonstration of the Company's ongoing commitment to pursuing sustainability objectives. Finally, it concluded that the criteria established for both short-term variable remuneration and medium and long-term variable remuneration, insofar as they are applicable to the respective recipients, fully meet these requirements and appear consistent and appropriate to support the implementation of the strategic objectives. It therefore decided to propose the 2025 Remuneration Policy to the Board of Directors, taking into account the Executive Director's views on the level and structure of his remuneration.

A proposal to revise the way in which the Group CEO & Chairman's variable component is calculated and managed was initiated during the year and subsequently approved at the Committee meeting of 10 March 2025: consistent with the latest trends in best market practices, ESG objectives were included and a cap (maximum amount payable) was applied.

1.2.2 Description of fixed and variable pay components with particular regard to their weightings within the overall remuneration, and distinguishing between the short and medium and long-term variable components

The remuneration of Directors has been defined as follows, with reference to the fixed and variable components:

Remuneration of the Board of Directors

The Remuneration Policy for the Board of Directors set by the General Meeting of 22 April 2024 includes the following elements:

A. remuneration of Directors for the office and for attendance at Board meetings;

B. remuneration of the Executive Director (who also holds the position of CEO) for the performance of executive functions, powers and responsibilities;

C. remuneration of Non-Executive Directors;

D. remuneration of members of the *Audit Committee,* the *Remuneration and Nomination Committee* and the Sustainability Committee.

Remuneration of Directors

The remuneration to be paid to Directors (see letter A) shall be in the form of an allowance for attendance at each meeting of the Board of Directors and of a fixed annual payment for the office of Director, payable to each Director (both Executive and Non-Executive Directors) and approved, in accordance with the provisions of the law, by the General Meeting.

The current annual remuneration of all Directors is:

- a fixed annual allowance of EUR 5,000;
- a participation token of EUR 1,000 for each board meeting in which they participate in presence or by teleconference, except for written resolutions.

Directors are entitled to reimbursement of the reasonable expenses incurred because of their office on the basis of the arrangements with the Company.

The same is confirmed as policy for 2025.

Remuneration of Directors with specific duties

The compensation to be paid to Directors with specific duties (letters B and D above) is determined, upon proposal of the *Remuneration and Nomination Committee*, taking into account the commitment actually required from each of them and any powers vested in addition to the compensation due to all Directors.

The following Directors have specific duties within the Board of Directors of the Company:

(i) the Chairman of the Board of Directors;
(ii) the CEO;
(iii) the Directors who participate in the Board Committees (Audit Committee, *Remuneration and Nomination Committee* and *Sustainability Committee*).

The Non-Executive Directors (i) appointed as members of the *Remuneration and Nomination Committee,* the Audit Committee and the Sustainability Committee and (ii) who are appointed as Chairman of such Committees, shall receive an additional compensation, commensurate with the commitment required from each of them in the performance of their aforesaid duties.

Remuneration of Chairman and CEO.

The annual gross remuneration of the Chairman of the Board of Directors and the CEO generally includes the following elements:

- a fixed component;
- a variable component determined according to the Group's performance and tied to predetermined, measurable parameters connected to the creation of shareholder value in a medium/long-term time span.

In determining the remuneration of the Chairman and of the CEO, the Board of Directors takes into account (i) the specific content of the vested powers and/or (ii) the functions and the role actually served within the Company, thereby assuring that the provision of a possible variable component is consistent with the nature of assigned duties.

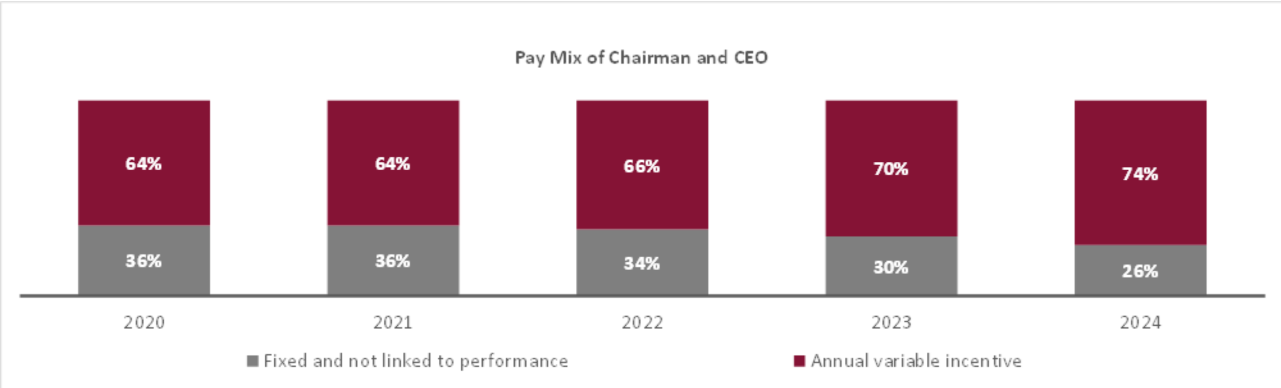
In particular, remuneration is determined on the basis of the following criteria:

- correct balance between the fixed component and the variable component in accordance with the Company's strategic goals and its risk management policy, also taking into account the industry in which it operates and the characteristics of its business;
- provision of maximum limits for the variable components, provided that the fixed component shall be sufficient to remunerate the performance of the Chairman and of the CEO should the variable component not be paid;
- the parameters, economic results and any other specific objectives to which the payment of the variable components is tied are predetermined, measurable and connected to the creation of shareholder value in a medium/long-term time span.

In detail, in line with the resolution approved in previous years, the variable component is set at 2% of the cash flow produced by the Group in the year of reference and is defined according to a formula that enables a quick reference with the consolidated accounts figures, from which the fixed pay component should be deducted. The variable component, which is pre-tax and may have a value of zero or more, may be calculated and paid in advance as an interim payment when the Board of Directors approves the Group's half-yearly financial statements; When the Group's annual financial statements are approved by the General Meeting, the variable component is finally determined and the balance is paid out. The fixed component is also confirmed consistently with previous years. The fixed component proposed for the Chairman and Chief Executive Officer is EUR 1.8 million per year before taxes, payable on a monthly basis.

The reference to operational cash flow generated by the Group has been identified as it is considered that this value, more than others, represents the link between annual performance (short-term) and the value of the company, and therefore appropriately aligns the results obtained by the CEO with the objective of creating value for all shareholders.

The following is the historical trend of the pay mix, i.e. the percentage weight of the various components of remuneration in relation to Annual Total Compensation (excluding benefits):



As the Chairman and CEO expresses the will of the Company's controlling shareholders and is a shareholder himself, there is an alignment of the interests of the Executive Director with the interest of all shareholders and stakeholders of the Company, consequently there is no need for an (additional) medium/long-term incentive plan.

During 2024, an analysis was conducted to assess and review the structure of the annual total remuneration of the Group Chairman and CEO. The analysis focused on the following objectives:

- to define a maximum amount of variable remuneration;
- to tie the payment of the variable component to predetermined, measurable parameters linked to the creation of shareholder value by also making them directly linked to ESG objectives, already envisaged for the Group's top management, as well as simplifying the calculation method with respect to financial results.

In light of the above:

- a fixed salary of EUR 1.8 million per year, subject to adjustment according to the annual inflation rate, was confirmed for 2025;
- variable remuneration, starting in 2025, was determined as 1.5% of Cash Flow from Operations, as reported in the consolidated financial statements. Any extraordinary or non-recurring items are subject to normalisation.

Variable remuneration may not exceed a predetermined upper limit of 360% of fixed remuneration.

The following ESG targets, already used for top management, will be adopted to determine variable remuneration

- Health & Safety – total LTIFR: lost time injury frequency rate i.e. total accidents with absence from work (employees and contractors on site) per million hours worked
- CO_2 Emissions - Grey cement: CO_2 emissions per ton of cement equivalent produced by Group plants

- CO2 Emissions - white Cement, or CO2 emissions per ton of cement equivalent produced by Group plants
- Specific water consumption (cement): litres of water consumed per ton of cement equivalent

Each ESG objective was given equal specific weight. The annual variable remuneration may vary, according to a scale from 1 (ESG targets not met) to 5 (ESG results achieved above the pre-set plan targets), between 90% and 120% of 1.5% of cash flow from operations, depending on actual performance on ESG targets. The cumulative result from ESG targets will be rounded to the nearest whole number.

	CUMULATIVE RESULT OF ESG OBJECTIVES				
	1	**2**	**3**	**4**	**5**
% Calculation of final variable considering ESG targets to be applied to Cash flow from operating activities	**1.35%** (90% of 1.5%)	**1.425%** (95% of 1.5%)	**1.5%**	**1.65%** (110% of 1.5%)	**1.8%** (120% of 1.5%)

Remuneration of Non-Executive Directors

The remuneration of Non-Executive Directors (see letter C) is not tied to the Group's economic-financial results or based on short or medium-term incentive plans or based on financial instruments.

Remuneration of Non-Executive Directors proposed for 2025 confirms the structure and the order of magnitude defined in the previous years.

The annual remuneration of Non-Executive Directors consists of:

- a fixed annual allowance of EUR 5,000 determined for all Directors (see letter A above);
- an attendance fee of EUR 1,000 per board meeting, determined for all directors (see letter A above).

Remuneration of Committee members

In addition to the remuneration of Non-Executive Directors, the Remuneration Policy provides for an additional remuneration for the participation in board committees (currently Audit Committee, Remuneration and Nomination Committee and Sustainability Committee), differentiated according to the time and effort dedicated to the performance of the tasks of these committees.

Specifically, it:

- an annual remuneration of EUR 30,000 for each position held by the Non-Executive Directors as Chairmen of the Committees;
- an annual fee of EUR 20,000 for each position held by the Non-Executive Directors as members of the Audit Committee and Remuneration and Nomination Committee;
- an attendance fee of EUR 1,000 for each meeting of the Sustainability Committee attended in attendance or by teleconference by Non-Executive Directors.

Short-Term Incentive and Long-Term Incentive Schemes

In addition to the remuneration described above for Executive and Non-Executive Directors, Cementir Holding NV adopts, for the managers within the Company, a compensation scheme that includes a variable component aimed at creating value for its Stakeholders, achieving ever-improving performance levels within the sustainable value creation structure that is the Company's true objective.

Short-term variable component - STI (Short Term Incentive)

The variable component is based on a Short-Term Incentive (STI) Plan. The system assesses the performance of the Company and of the beneficiary on an annual basis and directs the actions of the management towards strategic objectives in line with the Group's short-term business priorities.

The structure of the short-term incentive system was confirmed, based on the financial objectives of the Group and/or the subsidiaries (access system Gate). In addition, objectives were defined with indicators linked to individual performance, as well as skills related to the leadership model. Each target (corporate and individual) is matched with a minimum performance, target performance and maximum performance level.

The Group uses a fully digitalised performance appraisal system, by means of a dedicated Performance Management platform that also enables the management of the short-term incentive system and the related assessment of results achieved.

The appraisal system is based on the Group's and/or subsidiaries' financial targets, which are the factor that enables access (Gate) to the system. Each target will be matched with a minimum performance, target performance and maximum performance level, correlated to the payout curve within the range 90%-120%. Other individual objectives should be defined on the basis of indicators linked to company performance and/or individual performance (including sustainability) specific to the role, while skills have been assessed in relation to the organisational position of reference. The total individual performance assessment is defined according to a rating scale ranging from 1- Unsatisfactory to 5- Exceptional and which will measure the "What" of the objectives, but also the "How" ensuring adherence to company values.

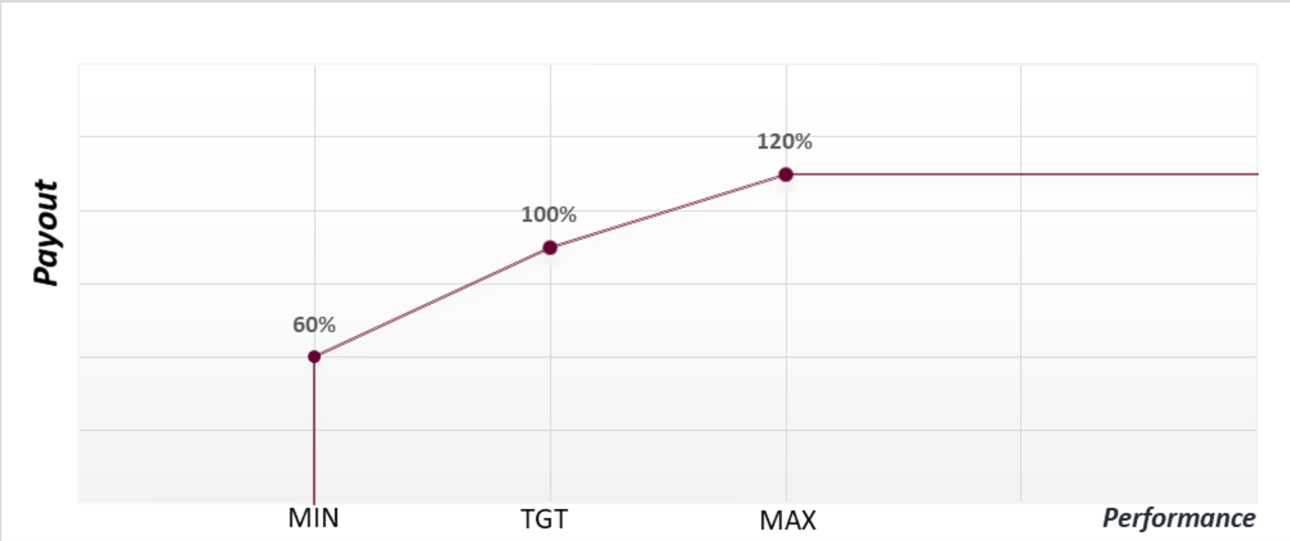
The combination of corporate and individual objectives, as well as skills will entitle to a variable bonus payment.

For the purposes of incentivisation and the final bonus, overall performance, taking into account the entry gate and performance results, cannot be less than 60%.

The structure and weighting of the various objectives, which is standardised at the Group level, is shown in the following table:

30% Weighting	70% Weighting

Group targets
• Economic-Financial Targets (Gate)
  ○ EBIT (20%)
  ○ NCF (10%)
	Individual targets 80%
	• Targets based on Operational Projects/Results and sustainability of earnings
	• Organisational Development and Growth Targets
	Cementir Leadership Competencies Model 20%



In order to encourage managers to pursue their annual budget targets, the short-term incentive plan is addressed to managers within the Group with exactly the same scheme as described above. Target incentive levels expressed as percentages of fixed remuneration, depend on the responsibility and complexity of the role covered, whilst maintaining a single structure throughout the Group.

Medium/Long Term Incentive – LTI

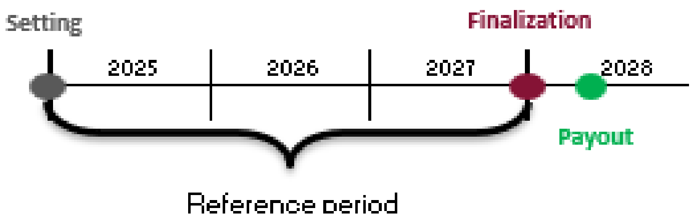
The LTI plan is intended for Key Executive and a selected group of managerial staff, chosen from those who have the greatest impact on the Group's medium/long-term results.

As the CEO is also a major shareholder, he does not participate in this plan.

The LTI plan consists of three-year cycles based on the medium/long-term performance of the Group in relation to the existing Business Plan, and it has the following aims:

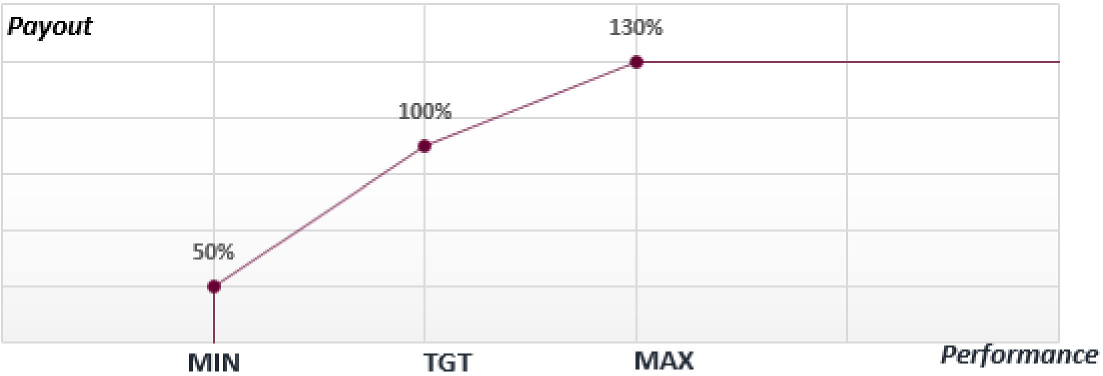
- Incentivise the aforementioned Key Executives to achieve the objectives set out in the Business Plan;
- To converge the interests of Key Executives with those of shareholders to create sustainable medium/long-term value;
- To introduce a motivation and retention plan.

The LTI also provides for the annual award of the right to receive a monetary performance bonus measured over a three-year period, in line with the company's medium-term strategic planning (vesting period).



Bonus opportunities for recipients differ and amount to either 30% or 40% of the annual gross remuneration to be awarded upon achievement of the target; the incentive payable at the end of the accrual period is determined on the basis of the performance achieved and varies from 50% to 130% of the value of the bonus.

This incentive may rise to up to 52% (the “cap”) of gross annual remuneration upon achievement of levels of performance higher than the target levels.



Performances below the target will see a reduction in the bonus of up to 15% of gross annual salary, when a performance threshold is reached.

No bonus will be awarded if the results are below the threshold.

The award of the bonus depends on two performance conditions being met. These conditions operate separately, and each have a weighting of 50% in the calculation of the bonus:

- Three-year cumulative Free Cash Flow
- Three-year cumulative EBIT

The threshold, target and maximum amount are set in line with the Company’s medium-term business plan.

Clawback and malus clauses

A clawback clause applies to both the LTI and the STI. This allows the Board of Directors to ask the beneficiaries to return all or part of the bonuses paid if they find that the performance targets were achieved on the basis of inaccurate or untrue data.

During the 2024, no clawback is deemed required and consequently no clawback has been applied.

1.2.3 Criteria used in assessing performance targets underlying the award of shares, options, other financial instruments and variable pay components

The criteria used in assessing performance targets is based on the financial results of the Group. For more information, refer to the contents of paragraph 1.2.2 above.

1.2.4 Information on the alignment of the Remuneration Policy and the pursuit of the Company’s long-term interests and risk management policy

As described above, the Remuneration Policy, inspired by the principles described in paragraph 1.2.1 above, pursues the objective of creating sustainable value over the medium to long-term, for the Company and its shareholders.

Therefore the remuneration of Executive Directors and key executives is structured so as to:

- ensure that the overall remuneration structure is adequately balanced between fixed and variable components, with the aim of creating sustainable value over the medium to long-term, for the Company;
- coordinate the variable remuneration with the achievement of operational and financial targets, in line with the creation of value over the medium to long-term and the actual results achieved by the Company;
- ensure that overall pay levels reflect the professional value of individuals and their contribution to creating sustainable value over the medium to long-term.

For Non-Executive Directors, please refer to paragraph 1.2.2.

In order to achieve challenging Group strategic objectives, the Board approved a compensation plan for the Company's executives to create value for its stakeholders by achieving increasingly better performance levels within the sustainable value creation structure that represents the ultimate goal pursued by the Company. The three-year cycles of the LTI plan are based on the medium/long-term performance of the Group in relation to the existing Business Plan. The sustainability objectives were approved and included in the short-term incentive and in the three-year business plan.

Metrics and targets, with particular reference to short-term ones, are being continuously assessed and monitored, with a view to a progressive improvement path to ensure an ever-increasing alignment between strategy, sustainability and incentive systems.

1.2.5 Vesting period, deferred payment schemes, indication of deferment periods and criteria used to determine them, as well as ex-post adjustment mechanisms and information about clauses on the inclusion of financial instruments in the portfolio after acquisition, with details of the holding periods and criteria used to determine them

The Company has not adopted any Remuneration Plan based on shares or any other financial instruments nor does it award shares or other financial instruments as variable performance-based pay components. In addition, no clauses were determined for the retention in portfolio of financial instruments after their acquisition, meaning clauses that include the obligation of non-portability on a relevant portion of the shares awarded.

1.2.6 Policy on indemnities applied after termination of contract or resignation

In general, for all Directors, there shall be no (i) indemnities in case of resignation or revocation without just cause or non-renewal, (ii) agreements prescribing the allocation or continuation of non-monetary benefits in favour of persons who have resigned from their office and, (iii) consulting agreements with the Directors for a period following termination of their employment.

In relation to the above, it should be noted that the Chairman and CEO is one of the main shareholders of the Company and that the remuneration of the other Directors takes the form of a participation fee and a fixed annual remuneration of a limited amount for each Director, thus limiting the risk of any claim relating in any way to the termination of the office of director and, in any case, the corresponding amount.

Directors that have an employment relationship with the Company or its Subsidiaries must comply in any case with current provisions related to Collective Labour Agreements for the termination of their employment relationship, in accordance with the legal procedures and requirements.

Where necessary, the Company may request the signature of a non-competition agreement by an outgoing Director, which includes the payment of an indemnity related to the terms and extension of such obligation.

The breach of this agreement will determine the refusal to pay the indemnity or its reimbursement, as well as an obligation to damage compensation for an agreed amount (i.e. the double of the agreed indemnity).

If employment with the Company is terminated for reasons other than just cause, efforts will be made to reach a termination agreement. Subject in any case to the obligations set out by law and/or by the employment agreement, the arrangements for the termination of employment with the Company are tailored on the basis of the relevant reference benchmarks and within the limits defined by courts and practice.

1.2.7 Information about insurance coverage, welfare or pension provision

In line with best practices, a Directors & Officers (D&O) Liability insurance policy covering the liability of the Board of Directors towards third parties has been undersigned.

In case of employment relationship with the Company, pension or welfare provision are in line with the practices applied for managers of the Company.

1.2.8 Information about the use of benchmark pay policies from other companies

The Remuneration Policy was devised by the Company without using as reference the policies of other companies. However, as part of the annual review prior to the preparation of the 2022 Remuneration Policy, a specific benchmark activity was carried out relating to the remuneration of non-executive directors using the information available in the remuneration reports published by companies considered comparable and which is also valid for subsequent remuneration policies including the 2025 Remuneration Policy.

The current Remuneration Policy is valid 1 (one) year and is therefore revised yearly by the Remuneration and Nomination Committee and by the Board of Directors and submitted to approval of the General Meeting.

1.3. Derogations and deviations

The Board of Directors, with the abstention, if any, of the Director concerned, on the proposal of the Remuneration and Nomination Committee, may discretionally approve derogations or deviations from any part of the Remuneration Policy, where there are exceptional circumstances that provide compelling reasons for the deviation. However, such derogations may only be temporary until a new policy is adopted in the following circumstances: (a) in the event of changes in the corporate bodies, both by composition and by number or skills; or (b) in additional exceptional circumstances. Exceptional circumstances are circumstances in which the deviation from the Remuneration Policy is necessary to pursue long-term interests and sustainability of the Company and/or to ensure its profitability.

SECTION II - PAYMENTS RECEIVED DURING 2024 BY THE MEMBERS OF THE BOARD OF DIRECTORS

This section of the Report sets out the remuneration paid in 2024 to each member of the Board of Directors. This remuneration was paid in application of the principles as set out in the Remuneration Policy.

On 10 March 2025, the Remuneration and Nomination Committee verified the correct application of the Remuneration Policy approved in 2024.

PART I – REMUNERATION COMPONENTS

Remuneration of Directors

Fixed component

The General Meeting of 22 April 2024 approved the proposed Remuneration Policy by a large majority of votes, assigning to all Directors, for their term of office, a fixed allowance of EUR 5,000, plus an attendance token of EUR 1,000 for each Board meeting they attend.

Variable component

The variable remuneration component was paid exclusively to the Executive Director, who also holds the position of CEO, in accordance with the 2024 Remuneration Policy approved by the General Meeting.

The compensation of Non-Executive Directors is not tied to the Group's economic-financial results or based on short or medium-term incentive plans or based on financial instruments.

Monetary and non-monetary benefits

In keeping with best practices, a Directors & Officers (D&O) Liability insurance policy covering the third-party liability of the governing bodies has been undersigned.

Reimbursement of expenses

Directors are entitled to reimbursement of the reasonable expenses incurred because of their office on the basis of the arrangements with the Company.

Treatment/indemnities in case of termination from office

As of the date of approval of this Report, no agreement has been entered into with any of the Directors that implies indemnity in the event of resignation or removal without just cause or termination of the office following a takeover bid, nor are there any agreements that provide for the transfer or continuation of non-monetary benefits in favour of the persons who have left office; in addition, there have been no consulting agreements with the Directors for a period after termination or agreements providing for compensation for non-compete commitments.

Remuneration of Directors with specific duties

As of the date of approval of this report, the Directors with specific duties are:

▪ Francesco Caltagirone	Chairman and CEO Chairman of the Sustainability Committee
▪ Adriana Lamberto Floristan	Member of the Remuneration and Nomination Committee, of the Audit Committee of the Sustainability Committee
▪ Annalisa Pescatori	Chairwoman of the Remuneration and Nomination Committee Member of the Audit Committee and the Sustainability Committee
▪ Benedetta Navarra	Chairwoman of the Audit Committee Member of the Remuneration and Nomination Committee and Sustainability Committee

(i) Remuneration of the Chairman and CEO

With reference to the remuneration of the Chairman and CEO Francesco Caltagirone, the General Meeting of 22 April 2024 confirmed with broad consensus the remuneration policy and remuneration already in force and unchanged from the previous term of office, as detailed here below and in the table in 2.2.1.

Fixed component

The fixed component is EUR 1.8 million per year before taxes, payable on a monthly basis.

Variable component

The variable components for 2024 were estimated at EUR 5.422 million, before tax. The achievement was calculated as 2% of Net Operating Cash Flow.

(ii) Remuneration for participation in Board Committees

The General Meeting of 22 April 2024 approved the proposed Remuneration Policy and established an additional annual remuneration for participation in the Board Committees in addition to that approved for the office of Director and specifically, as detailed in the table below:

- For each position held by the Non-Executive Directors as Chairman of the Remuneration and Nomination Committee and the Audit Committee, a fixed annual compensation of EUR 30,000, before tax and any statutory surcharges;
- For the other members of the Remuneration and Nomination Committee and the Audit Committee, a fixed annual compensation of EUR 20,000 for each office held, before tax and statutory surcharges;
- for the Non-Executive Directors who are members of the *Sustainability Committee* an attendance fee of EUR 1,000 for each meeting they attend.

***

Information on the compliance of remuneration with the Remuneration Policy and how the performance criteria have been applied

In general, the practice applied by the Company is in line with the 2024 Remuneration Policy. In 2024, in fact, there were no deviations from the 2024 Remuneration Policy.

It is confirmed that the implementation of the 2024 Remuneration Policy has contributed to the creation of long-term sustainable value, as occurred also in previous years and to an increasing extent. The individual objectives assigned to the recipients of variable remuneration, in fact, are closely linked to the strategic objectives of the 2024-2026 Business Plan, which identify, among other things, the sustainability roadmap as one of the main interests to be pursued. As regards the recipients of the STI and LTI plans, these are objectively measurable and pre-determined targets, the achievement of which influences variable remuneration to the extent they have been achieved. As for the Directors, the Remuneration Policy provides for a variable component for the Executive Director only, who is also the representative of the majority shareholder and himself a substantial shareholder. This determines the implicit and automatic coincidence of the interests and objectives of the Executive Director with those of all shareholders, including minority shareholders, of the Company and, ultimately, the creation of long-term value.

PART II – COMPENSATION PAID IN FINANCIAL YEAR 2024

Compensation paid to the members of the Board of Directors.

The table below shows the compensation paid in Financial Year 2024, for any reason and in any form, by the Company. There is no compensation paid by subsidiaries of the Cementir Group to the members of the Board of Directors. It should be noted that the remuneration paid in the affiliates is disclosed within the context of the report on remuneration of the parent company Caltagirone S.p.A., published in accordance with the provisions of law applicable to listed companies, to which reference should be made.

YEAR 2024

(EUR '000) Director's name, position	Fixed Remuneration: Attendance fee Board of Directors	Fixed Remuneration: Remuneration approved by the Shareholders' Meeting or the Board of Directors	Fixed Remuneration: Compensation from employment	Fixed Remuneration: Compensation for participation in committees	Fixed Remuneration: Committee Attendance Fee	Variable compensation (non-equity): Bonuses and other incentives	Non monetary benefits	Other remuneration*	Total	Percentage of fixed and variable remuneration
BOARD OF DIRECTORS										
Francesco Caltagirone, Chairman of the Board of Directors and CEO***	4	1,805	80			5,422	18		7,329	74% variable remuneration 26% fixed remuneration
Alessandro Caltagirone, Non-Executive Director and Vice-Chairman	4	5							9	100% fixed remuneration
Azzurra Caltagirone, Non-Executive Director and Vice-Chairman	5	5							10	100% fixed remuneration
Saverio Caltagirone, Non-Executive Director	5	5							10	100% fixed remuneration
Fabio Corsico, Non-Executive Director*	4	5						260	269	100% fixed remuneration
Annalisa Pescatori, Independent Non-Executive Director, Chair of the Remuneration and Nomination Committee, member of the Audit Committee and the Sustainability Committee	5	5		50	3				63	100% fixed remuneration
Benedetta Navarra, Independent Non-Executive Director, Chair of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	5	5		50	3				63	100% fixed remuneration
Adriana Lamberto Floristan, Senior Non-Executive Independent Director, member of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	5	5		40	3				53	100% fixed remuneration
KEY MANAGEMENT										
Key Executives:**			4,358			1,948	488		6,795	29% variable remuneration 71% fixed remuneration
TOTAL:	**37**	**1,840**	**4,439**	**140**	**9**	**7,370**	**506**	**260**	**14,601**	

* Consultancy contract
** Including Group COO, Group CFO, Heads of Region and Business Unit Managing Directors
*** Also holds the position of Chairman of the Sustainability Committee for which he receives no remuneration

YEAR 2023

(EUR '000)	Fixed Remuneration					Variable compensation (non-equity)				
Director's name, position	**Attendance fee Board of Directors**	**Remuneration approved by the Shareholders' Meeting or the Board of Directors**	**Compensation from employment**	**Compensation for participation in committees**	**Committee Attendance Fee**	**Bonuses and other incentives**	**Non monetary benefits**	**Other remuneration***	**Total**	**Percentage of fixed and variable remuneration**
BOARD OF DIRECTORS										
Francesco Caltagirone, Chairman of the Board of Directors and CEO***	6	1,805	80			4,367	18		6,277	70% variable remuneration 30% fixed remuneration
Alessandro Caltagirone, Non-Executive Director and Vice-Chairman	6	5							11	100% fixed remuneration
Azzurra Caltagirone, Non-Executive Director and Vice-Chairman	6	5							11	100% fixed remuneration
Saverio Caltagirone, Non-Executive Director	5	5							10	100% fixed remuneration
Fabio Corsico, Non-Executive Director*	6	5						260	271	100% fixed remuneration
Annalisa Pescatori, Independent Non-Executive Director, Chair of the Remuneration and Nomination Committee, member of the Audit Committee and the Sustainability Committee	4	3		33	1				41	100% fixed remuneration
Benedetta Navarra, Independent Non-Executive Director, Chair of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	4	3		33	1				41	100% fixed remuneration
Adriana Lamberto Floristan, Senior Non-Executive Independent Director, member of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	6	5		27	2				40	100% fixed remuneration
DIRECTORS LEAVING OFFICE DURING 2023										
Edoardo Caltagirone, Non-Executive Director	0	2							2	100% fixed remuneration
Paolo Di Benedetto, Senior Independent Non-Executive Director, member of the Audit Committee and member of the Remuneration and Nomination Committee	2	2		13					17	100% fixed remuneration
Chiara Mancini, Independent Non-Executive Director, Chair of the Remuneration and	2	2		17	1				22	100% fixed remuneration

Nomination Committee, member of the Audit Committee and the Sustainability Committee										
Veronica De Romanis, Independent Non-Executive Director, Chair of the Audit Committee and member of the Remuneration and Nomination Committee and the Sustainability Committee	2	2		17	1				22	100% fixed remuneration
KEY MANAGEMENT										
Key Executives:**			3,999			1,787	493		6,279	28% variable remuneration 72% fixed remuneration
TOTAL:	**49**	**1,843**	**4,079**	**140**	**6**	**6,154**	**512**	**260**	**13,043**	

* Consultancy contract
** Including Group COO, Group CFO, Heads of Region and Business Unit Managing Directors
*** Also holds the position of Chairman of the Sustainability Committee for which he receives no remuneration

Stock options assigned to the members of the Board of Directors, to general managers and to the other Key Executives.

There are no stock-option plans for members of the Board of Directors nor for sake of completeness for the General Manager, other Key Executives or employees of the Company.

Incentive plans based on financial instruments, other than stock options, for members of the Board of Directors, General Managers and other Key Executives.

There are no incentive plans based on financial instruments other than stock options (restricted shares, performance share, share plan, etc.); for members of the Board of Directors, nor for sake of completeness for the General Manager, other Key Executives or employees of the Company.

During the year, the Group did not grant any new loans to Directors while it has a loan receivable for a loan to a Key Executive as at 31 December 2024.

The following table shows a comparison of the total remuneration of Directors over the last five years, based on Cementir Holding N.V. Directors in office as at 31 December 2024.

Board of Directors (thousands of Euro)	2024	2023	2022	2021	2020
Francesco Caltagirone, Chairman of the Board of Directors and CEO	7,329	6,277	5,576	5,213	5,325
Alessandro Caltagirone, Non-Executive Director and Vice-Chairman	9	11	10	10	9
Azzurra Caltagirone, Non-Executive Director and Vice-Chairman	10	11	10	10	10
Saverio Caltagirone, Non-Executive Director	10	10	10	10	10
Fabio Corsico, Non-Executive Director*	269	271	270	270	234
Annalisa Pescatori, Independent Non-Executive Director, Chair of the Remuneration and Nomination Committee and member of the Audit Committee and the Sustainability Committee***	63	41			
Benedetta Navarra, Independent Non-Executive Director, Chair of the Audit Committee and member of the Remuneration and Nomination Committee and the Sustainability Committee***	63	41			
Adriana Lamberto Floristan, Senior Independent Director Non-Executive Director, member of the Audit Committee, member of the Remuneration & Nomination Committee and member of the Sustainability Committee**	53	40	9		

Directors leaving office in 2023 (thousands of Euro)	2024	2023	2022	2021	2020
Edoardo Caltagirone, Non-Executive Director	-	2	5	8	10
Paolo Di Benedetto, Senior Independent Non-Executive Director, member of the Audit Committee and member of the Remuneration and Nomination Committee	-	17	50	49	49
Chiara Mancini, Independent Non-Executive Director and Chair of the Remuneration and Nomination Committee and member of the Audit Committee and the Sustainability Committee	-	22	62	60	60
Veronica De Romanis, Independent Non-Executive Director, Chair of the Audit Committee and member of the Remuneration and Nomination Committee and the Sustainability Committee	-	22	62	60	60

"* Include consulting agreement
** Director until 5 October 2019 and again from 21 April 2022
***Director from 20 April 2023

Company results (millions of Euro)	2024	2023	2022	2021	2020
EBIT	262.0	278.3	204.4	197.8	157.2

Average fixed remuneration of an FTE (EUR)	2024	2023	2022	2021	2020
Average fixed remuneration of an FTE	68,711	66,619	64,072	58,841	62,915

Internal pay ratio

The internal pay ratio is a relevant factor to be considered in the assessment of the definition and implementation of the Remuneration Policy, in accordance with the Code.

The pay ratio for the Chief Executive Officer in relation to the average remuneration of all employees of Group companies during 2024 is 107:1. This ratio consists of the CEO's total direct compensation during 2024 of EUR 7,329 thousand as reported in the table reporting Total direct compensation, pension and other benefits in this appendix, compared to the average compensation of all employees. The average compensation of all employees was calculated from the numbers as reported in Note 24.

In the previous five years, the ratio was:

	2024	2023	2022	2021	2020
Pay Ratio	107	94	87	89	85

The average remuneration of each employee is EUR 68,711, which represents the total cost of EUR 211,768.4 thousand for the total 3,082 employees.

As can be seen from the above figures, the internal pay ratio is represented by comparing the remuneration of the sole Executive Director, as well as Group Chairman and CEO, with the average remuneration of personnel of all levels operating throughout the Group. It should be noted that the Cementir Group has offices across the world and, as well known, the geographical location has a strong impact on the rules and measures of remuneration with a consequent influence on the following internal pay ratio.

RISKS AND UNCERTAINTIES

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Cementir Group's Internal Control and Risk Management System is defined as the set of tools, organisational structure, procedures and company rules to guarantee, through an adequate process of identification, measurement, management and monitoring of the main risks, correct and consistent business management with objectives set in terms of:

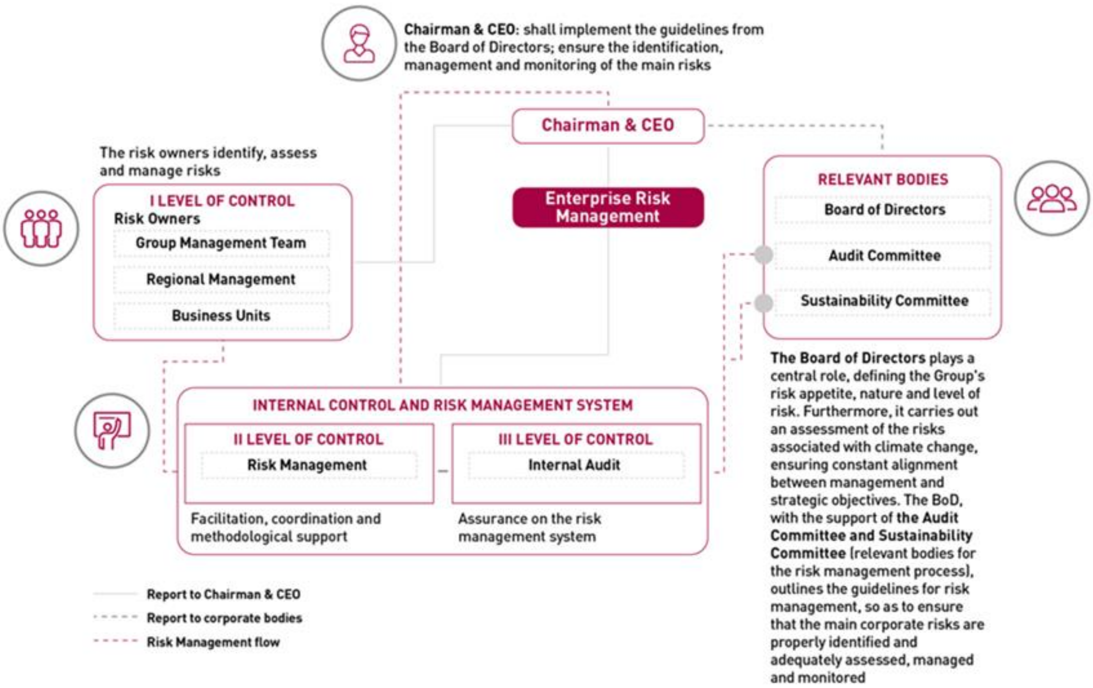
- compliance with laws and regulations;
- safeguarding of corporate assets;
- operating activity effectiveness and efficiency;
- reporting accuracy and completeness.

The Internal Control and Risk Management System adopts a "top-down" and "risk-based" approach that starts from the definition of the Cementir Group's Business Plan. It ensures that the main risks are identified, assessed and monitored taking into account each business unit, to create a fully integrated risk management process. Risks are assessed with quantitative and qualitative tools considering both the probability of occurrence and the impacts that would be generated in a given time horizon if the risk were to occur. It also ensures that all necessary measures are taken to control risks that could threaten the Group's assets, its ability to generate profits or achieve its objectives.

Roles and responsibilities in risk management have been defined starting from the Company's Board of Directors, which defines strategy, policy and risk appetite, supported by the Audit Committee and the Sustainability Committee. In addition, management teams from the group companies are involved, with responsibility for risk management within their area of expertise.

Below is a summary of the people and bodies involved and their responsibilities:

- **The Board of Directors** plays the central role, defining the Group's risk appetite, the nature and level of risk. In addition, it carries out an assessment of the risks related to climate change ensuring the constant compatibility of management and strategic objectives.
- **The Audit Committee and the Sustainability Committee** (corporate bodies relevant in the risk definition process) support the Board of Directors, subject to a favourable opinion, in the definition and management of risks;
- **CEO & Chairman:** implements the general guidelines of the Board of Directors, ensuring the identification, management and monitoring of the main risks;
- **Risk owners**, or the first level of control, are primarily responsible for internal control and risk management activities;
- Finally, **Risk Management and Internal Audit** are the main responsible for the internal control and risk management system (second and third level of control). They are responsible for verifying that the Internal Control and Risk Management System is functioning and adequate with respect to the size and operations of the Group, verifying, in particular, that the Management has identified the main risks, that they have been evaluated in a consistent manner and that the appropriate mitigation actions have been defined and implemented.



The Cementir Group's Internal Control and Risk Management System is integrated into the Group's organisational, administrative, accounting and governance structure and has been prepared on the basis of the principles laid down by the Enterprise Risk Management - Integrated Framework, an international standard developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report), also ensuring greater detail in the identification of the risks of the companies and Group and integration with the results of the Audit activities. The methodology followed involves an iterative process consisting of the following steps:

- Risk identification: the process starts with the definition of the Industrial Plan and focuses on the main risks that could compromise the achievement of the Group's objectives;
- Risk assessment: for each identified risk, management gives an inherent risk assessment (in the absence of controls/mitigation actions), in terms of probability and impact during the horizon of the Industrial Plan, using a 5-level assessment system (scoring):
  - Impact: scale from 1 (Negligible) to 5 (Extreme);
  - Probability: scale from 1 (Rare) to 5 (More than Likely)
- With regard to impact, three parameters are considered: economic (quantitative), operational (qualitative), reputational (qualitative). Management at Region and Group level assesses the potential impacts and likelihood of major risks that could have a material adverse effect on the company's current or future operations. For sustainability and climate-related risks, the time horizon was extended to a long-term view for the analysis of various threats that could jeopardise the implementation of the Group's climate transition plan;
- Identification and assessment of the adequacy of the existing principals: for each identified risk, all the controls/actions currently in place for risk mitigation are identified with the management;
- Residual Risk Assessment: taking into account the individual controls for each risk and the relative adequacy, the residual risk is calculated by applying a uniform calculation methodology to all Group companies;

- Identification of further actions: in the event that the residual risk is higher than the predefined level of risk appetite, further actions are agreed with management to mitigate the risk and contain it within acceptable levels. The initiatives are taken promptly and within budget limits, to effectively contribute to risk mitigation;
- Risk mitigation: Mitigation strategies are defined with specific action plans for key risks;
- Reporting: reports are prepared at the company and Group level, showing the main risks and initiatives taken by management to reduce the risks to acceptable levels;
- Monitoring: the following are reviewed periodically: existing risk assessments, assessment parameters, and new risks can be identified if necessary.

The model, as described, subject to further and future updates, aims to provide support for the decision-making and operational processes of the company management, so as to reduce the possibility that specific events could compromise the Group's ordinary operations or the achievement of its strategic objectives.

To this end, the risk appetite level adopted in relation to strategic risks is consistent with the vision of creating value, while always respecting the environment and promoting integration with local communities. In relation to operational risks, the risk appetite level is defined on the basis of the effectiveness and efficiency targets set by the management.

Provisions for compliance and financial reporting are different. The Group does not accept an assumption of non-compliance risk for laws and regulations (including those relating to safety), and of possible alterations to the integrity of financial reporting.

The Cementir Group's Internal Control and Risk Management System is integrated with the Group's Sustainability Strategy. Starting from 2021 the Cementir Group has launched a project to implement the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosure) committing to be transparent on risks and opportunities related to climate change. The identification, assessment and effective management of risks and opportunities related to climate change are fully integrated into the Group's risk management process. To promote and improve its climate change disclosure, in 2022, the Group engaged Standard & Poor's (S&P) to assess physical and transitional climate risks and develop scenario analyses to support the implementation of the TCFD guidelines. The analysis carried out by S&P showed that the Cementir Group scored 100% on the overall assessment of the eleven recommendations of the TCFD, which represents a complete and transparent level of disclosure achieved. Furthermore, the Group is integrating the guidelines published by the European Union “EU Taxonomy Regulation”, which together with the TCFD constitute the reference frameworks. For more details, see the paragraph "Main risks to which the group is exposed".

In relation to accounting and financial reporting, the existing Internal Control System ensures its accuracy and completeness through constantly updated administrative and accounting procedures.

Furthermore, as part of the compliance activities with the COSO structure, during the year, the Internal Audit function carries out audit activities on the aforementioned procedures to ascertain that the provided key controls are being correctly applied by the involved company structures. The assessment of the internal control system on financial reporting provided for by Cementir Group procedures was carried out based on this activity.

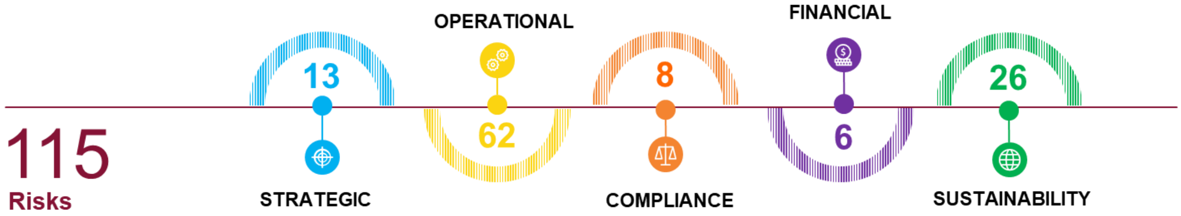
On the basis of the activity carried out by the Internal Audit department and the related results, the Audit Committee assessed the Internal Control and Risk Management System as adequate, effective and appropriate for dealing with business, operational, environmental, financial and compliance risks.

As of October 2023, the Group has launched the strategic initiative for the digitalisation of Risk Management, aimed at improving the resilience of the organisation by leveraging advanced technological solutions, simplifying data-driven risk assessments and implementing real-time monitoring capabilities, promoting a proactive and agile approach to risk mitigation across all business functions. The digitisation process was completed during 2024, and the Group Risk Management was updated using the new platform.

RISK CATEGORIES

The Group is subject to various risks and uncertainties. The risk library is the basis for the company's risk assessment process. The most important risks and their categorisation (strategic, operational, compliance, financial and sustainability) have been listed to facilitate the identification of the main risk categories that may have an impact on the Group.

The following table provides a non-exhaustive example of key business risks.



Category	Risk	Description
STRATEGIC	Uncertain Outlook	Risk linked to uncertainties in economic, political, technological, or market-related factor
	Geopolitical Risk	Risk coming from the complex interplay of geopolitical events, government actions, international relations and global developments
	Price Pressure	Risk to reduce profit margins, financial strain and other adverse effects for businesses in case of a strong pressure on prices due to unfair competition
	Market Landscape	Risk of inadequate monitoring of market trends, industry conditions making it difficult to navigate the complexity of its market
	Strategic Planning	Risk of adopting strategic choices that could adversely affect the company's performance to a considerable degree
	Talent and Retention Management	Risk to potential challenges and negative impacts that may arise from issues related to attracting, developing, and retaining key employees within an organization
OPERATIONAL	Health and safety	Risk of incidents, injuries, illnesses due to unsafe behaviors, conditions or without preventive measures
	Cybersecurity	Risk of cyber attacks or sensitive data stealing
	Lack of raw materials/fuels/aggregates	Risk to not source the resource necessary for business operations
	Asset management	Risk of loosing the value or returns of investments on company's assets
	Supply chain disruption	Risk that the occurrence of supply chain disruption may lead to increased costs or shortages of products or resources
	Customer management	Risk of failure to meet customer's expectations, needs or orders making difficult to acquire or retain customers
	Freight and logistic Cost	Risk associated to volatile or increased freight/logistic costs

COMPLIANCE	Accounting compliance	Risk of non-compliance with international or national accounting regulations and laws
	Antitrust compliance	Risk of non-compliance with international or national antitrust regulations and laws
	Tax compliance	Risk of non-compliance with international or national fiscal regulations and laws
	Business ethics and compliance	Risk of non-compliance with international or national business ethics regulations and laws, with company's Code of Ethics
	Compliance with law and regulations	Risk related to non-compliance with all applicable regulations
FINANCIAL	Currency exchange risk	Risk of potential financial loss that can occur as a result of fluctuations in the exchange rates
	Credit risk	Risk of potential financial loss that the company may incur if a counterparty fails to fulfill their contractual obligations
	Inadequate management of the financial planning and budget process	Risk of failure to effectively plan, budget and manage company's financial resources
SUSTAINABILITY	Physical risk	Risk linked to unpredictable extreme weather events or scarcity of natural resources (e.g., water)in the regions where the company operates.
	CO_2 emissions laws and regulations	Risk of cost increase and non-compliance to international and local regulations with the introduction of new laws
	Environmental regulation and claims from the community	Risk related to (i) environmental incidents, (ii) non-compliance with environmental regulation and (iii) claims from the community
	Product innovation	Risk of not innovating adequately, without introducing or updating products on the market that contributes to the reduction and mitigation of carbon emissions
	Innovation technology	Risk to not implement new and advanced technologies within the organization, key to company's reduction targets achievement
	Availabilities of alternative fuels	Risk of absence or partial availability of alternative fuels, strategic for the achievement of our targets

INTERNAL CONTROL SYSTEM FOR FRAUD RISK MANAGEMENT

This risk relates to intentional acts perpetrated by deception by one or more members of management, those responsible for governance activities, employees or third parties, in order to obtain unlawful advantages. Fraud, whether false financial reporting or misappropriation of company assets, implies the existence of incentives or pressure to commit it and the perception of an opportunity to do so.

The intrinsic nature of the Group's business introduces potential vulnerabilities to fraud and corruption, which can be summarised as follows: (i) fraudulent activities in financial transactions, such as misappropriation of funds or fraudulent invoicing; (ii) the risks of collusion or conflicts of interest extend to relationships with suppliers, customers and employees, amplifying the potential for fraudulent activities; (iii) non-compliance with anti-corruption laws and regulations; (iv) the theft or mismanagement of stock leading to financial loss. The potential impact of fraud risks, if realised, can result in financial loss, reputational damage, and regulatory consequences.

MITIGATION ACTIONS

To mitigate the risk of fraud, the Group has implemented a combination of preventive, investigative and corrective measures to minimise exposure to fraudulent activities, below is an illustration of the main ones.

Internal Audit conducts a thorough analysis of potential fraud risks during the risk assessment phase, when formulating the audit plan. Priority is given to areas considered at risk, with a focus on the assessment of identified fraud risks, including the probability of occurrence and possible impacts. All operational and compliance audits (in particular L. 262) include a preliminary assessment of the ability of the internal control system to prevent potential fraud. Following the results of the audit, all actions and control measures agreed with the Management have the primary objective of securing the process from exposure to fraud and thus making it more effective. In the assessments, all reports emerging from whistleblowing channels and cases of fraud detected in the last 12 months are also taken into account.

In 2023, the Group adopted a whistleblowing system that can be used on a platform managed by a third party, to encourage employees and all stakeholders to report suspicious activity without fear of retaliation. Full information on this system, including details on the channels to be used, can be found on the Group's official website: https://www.cementirholding.com/it/governance/etica-e-compliance. The mitigation of the risk of fraud is also guaranteed by the activities conducted by the Ethics Committee (a committee appointed by the Board of Directors), which on a quarterly basis, analyses the results of the investigative activities carried out by the Internal Audit and verifies the implementation of disciplinary, organisational and operational actions for each individual case of violation. The Ethics Committee reports on its work to the Audit Committee and the Board of Directors. Another important mitigation measure is the adoption and use of a data mining tool called Celonis. This tool proves to be crucial for spotting unusual patterns or trends in financial transactions. The Group, in fact, implements segregation of duties as an operational practice, making it difficult for an individual to carry out and conceal fraudulent activities.

The measures implemented aim to significantly reduce vulnerability to fraud and corruption within operations.

MAIN RISKS TO WHICH THE GROUP IS EXPOSED

The main types of risks and opportunities to which the Group is exposed are described below.

STRATEGIC RISKS

UNCERTAIN OUTLOOK

DESCRIPTION	IMPACT	MITIGATION ACTIONS
The results of the business activities are highly dependent on the economic conditions of the countries of operation: • Inflation is projected to decline gradually in 2025 (with the exception of Egypt where it is expected to increase), but is expected to remain above central bank targets in most economies. Overall inflation in world economies is expected to be 4.5% in 2025, with the advanced economies that are expected to return to their inflation targets sooner than emerging market and developing economies. • Monetary policy will remain cautious until there are clear signs of a sustained reduction in underlying inflationary pressures. • The slowdown in China's economy poses a significant risk to global output growth. • Global growth is projected to be 3.3% in 2025. In the US, growth is expected to be 1.6% in 2025, while in Europe it is expected to be around 1.3%, registering modest growth. Conflicts between Russia and Ukraine, along with those in the Middle East, continue to have a significant impact on the global economic landscape. Simultaneously, the growing rivalry between the United States and China is expected to influence global companies' strategies, particularly in relation to supply chains and markets. Demand for construction materials is fundamentally driven by economic growth. These changes in demand may affect volumes, selling prices and the structure of the industry.	**The Group estimated a potential reduction in sales volumes**	The Group, with the support of the relevant departments: • actively monitors market conditions in order to anticipate any adverse scenarios. • Optimises the product portfolio for growth by increasing profitable low-carbon solutions. • aims to maintain strict cost discipline and stable prices to ensure a high contribution margin. • establishes long-term contracts to secure favourable logistics and energy costs.

GEOPOLITICAL RISK

DESCRIPTION	IMPACT	MITIGATION ACTIONS
The Group operates on five continents and is exposed to political risks both locally and globally. The geopolitical instability of some of them (e.g. Turkey and Egypt) may influence demand trends. The ongoing conflict between Israel and Palestine, which has now spread to other states in the Middle East, together with the continuing conflict between Ukraine and Russia, is currently the main factor in international geopolitical instability. The medium-term outlook remains highly uncertain, with numerous challenges hampering efforts to identify a path towards de-escalation. Given the strategic locations of the conflicts, the impacts on the global economy are substantial and are expected to result in the following: • Significant uncertainty for the markets; • Likely increases in transportation and logistics costs, affecting the Group's procurement and sales processes; • Sales bans to sanctioned countries affecting Group's export volumes; • An increase in oil prices could slow down the global economy and drive inflation higher; • Heightened social instability.	**Impact on the Group's economic/ financial results**	Continuous monitoring of the environment, mainly focused on the critical political/institutional developments and regulatory aspects which can potentially affect the business, but the geographical differentiation helps to limit the exposure to any particular market and currency. Alternative markets.

FINANCIAL RISK

CURRENCY EXCHANGE RATE RISK

DESCRIPTION	IMPACT	MITIGATION ACTIONS
The Group operates with ten different currencies, and fluctuations in exchange rates may impact the Group's business, operational results, and financial condition. Among these, the Turkish Lira and the Egyptian Pound are the principal currencies influenced by a significant depreciation in the last years. The Turkish lira is the currency that has depreciated significantly recently, by about 27% since September 2023 (September 2023: €/TRY 28.86 – January 2025: €/TRY 36.70). In March 2024, the Turkish central bank raised the rate to 50% to avoid further devaluation, marking a change of course after two years of monetary easing in which the reference rate had been reduced to 8.5% from 19% in 2021. As of April 2022, the Turkish economy is classified as hyperinflationary, according to the criteria outlined in "IAS 29 - Financial Reporting in Hyperinflationary Economies". The Egyptian pound also suffered a significant devaluation, weakening by around 58% since September 2023 (September 2023: €/EGP 33.01 – January 2025: €/EGP 52.29). These unfavourable changes in the exchange rates used to translate these currencies into the reporting currency have had and will continue to have an impact on the Group's consolidated results.	**Unfavourable exchange rate changes could continue to adversely affect Group profits**	The Group continuously monitors currencies in order to seize the opportunities offered by hedging transactions. To mitigate potential losses, the Group creates a balance between bank accounts in local currency and bank accounts in hard currency.

OPERATIONAL RISKS

TALENT AND RETENTION MANAGEMENT

DESCRIPTION	IMPACT	MITIGATION ACTIONS
Failure to adequately attract, retain and develop talent could result in the loss of key resources, preventing the Group from executing its strategy. The Group is currently grappling with a labour shortage that is affecting some positions.	**Difficulty in achieving strategic objectives due to a lack of talent.**	The Group seeks to attract new talent through specific actions, such as international mobility and career development campaigns, such as the Talent Program initiatives launched in 2022 and the Middle Management Program launched in 2024. In May 2024, the global "Your Voice" survey was carried out to assess staff engagement across the Group. Compared to the previous edition, there was a 2% increase in employee participation rate compared to the 2022 figures (2024 = 98%) and a 1% increase in employee engagement compared to the 2022 figures (2024 = 58%). Among the initiatives launched by the Group to mitigate the risk there is also: • continuing education activities (e.g. Linkedin Learning and the Cementir Academy); • Specific actions related to internal communication, employer branding and relations with local institutions, schools and universities (e.g. the Concrete programme in Turkey); • Leadership programme in the Group's main subsidiaries (Aalborg Portland, CCB and Cimentas); • Constructive relations with unions representing employees: the Group has also updated the collective agreement with the European Working Council for the next four years; • Constant updating of succession plans to ensure business continuity.

HEALTH AND SAFETY

DESCRIPTION	IMPACT	MITIGATION ACTIONS
The Group's activities operate in a sector that presents inherent health and safety risks, including, for example, driving heavy vehicles, working at height, working in confined spaces, handling live equipment, etc. Failure to ensure safe workplaces could result in a deterioration in the Group's safety performance and consequent negative regulatory actions or legal liabilities. Health and safety incidents could have a significant impact on the Group's operational and financial performance, as well as its reputation. Risk of accidents due to unsafe behaviour or conditions, which may cause consequences on the health of workers and/or problems in production processes. The Group has defined a specific roadmap to 2030, focusing on increasing employee awareness and involvement and strengthening internal procedures and related controls.	**Impacts:** - **Economic** - **Organisational** - **Reputational** - **Relations with local communities** - **Workers' health**	Improvement of the Group's safety culture by sharing best practices and common rules across the Group (e.g. Golden Rules). Regular risk assessment by all plants to eliminate/mitigate risks (annual action plans). Group monitoring of H&S performance and effectiveness of corrective measures. Periodic verification of the effectiveness of the main H&S processes for all plants (e.g. work permits, incident management, etc.). Variable pay of managers based on H&S indicators and performance.

CYBER SECURITY

DESCRIPTION	IMPACT	MITIGATION ACTIONS
The Group increasingly relies on information technology and cloud services to manage and support its operations and relationships with suppliers and customers. This trend increases a company's exposure to cyber attacks, security breaches, data loss, data theft (including confidential data), also making it more vulnerable to damage caused by uncontrollable events (e.g. power outages, natural disasters, network failures). In recent years, the frequency, complexity and impact of cyber attacks have increased compared to the past. The Group is taking prompt action to mitigate and reduce the effects of this risk. Looking to the future, information technology will play a key role in the Group's strategy, resulting in further exposure to related risks.	▪ **Fraud** ▪ **Data loss** ▪ **Privacy impacts** ▪ **Business interruption** ▪ **Reputational damage**	▪ Strengthening of the network infrastructure ▪ Strengthening of protection systems ▪ Constant updating of internal procedures ▪ Continuous training for all staff to strengthen the corporate culture on cyber security issues.

COMPLIANCE RISKS

COMPLIANCE

DESCRIPTION	IMPACT	MITIGATION ACTIONS
These are risks related to compliance with applicable regulations (antitrust, anti-corruption, GDPR, Legislative Decree 231/2001).	**Potential violations of laws and regulations**	In relation to these risks, the Legal Department implements targeted programs with guidelines, procedures and training to ensure compliance with the above regulations. The Organisation and Control Models required under Legislative Decree 231/2001 are periodically updated. The Internal Audit function carries out specific audits on compliance with regulations.

CLIMATE CHANGE

The cement industry's ability to reduce its CO_2 emissions and respond to climate change has become a focal point for investors. In 2021, the Cementir Group has launched a project to implement the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosure) committing to be transparent on risks and opportunities related to climate change. Cementir is also committed to ensuring the transparency of its climate-related risks and opportunities in line with the taxonomy required by the European Union. The identification, assessment and effective management of risks and opportunities related to climate change are fully integrated into the Group's risk management process.

As suggested by the TCFD, the Group monitors the risks and opportunities arising from the evolution of transition scenarios and the evolution of physical variables.

Physical variables are divided into two categories of risk:

(a) Acute: related to the occurrence of extreme weather conditions such as cyclones, hurricanes or floods. Acute physical phenomena, in the various cases, are characterised by considerable intensity and a frequency of occurrence that is not high in the short term, but which, considering long-term scenarios, sees a clear upward trend;

(b) Chronic: refers to gradual and long-term changes in climate patterns (e.g., sustained high temperatures) that can cause sea-level rises or chronic heat waves.

With regard to the energy transition process, towards a progressive reduction of carbon emissions, there are risks and opportunities linked to changes in the regulatory, technological, market and reputational context.

The Group has decided to align itself to the TCFD framework to clearly represent the types of risks and opportunities by indicating how each of them should be managed. The effects were assessed over three time horizons: the short term (1-3 years), linked to the implementation of the Industrial Plan; the medium term until 2030 during which it will be possible to see the effects of the energy transition; the long term until 2050, during which the Group undertakes to achieve net-zero emissions throughout its value chain. As the TCFD states, the process of disclosing risks and opportunities related to climate change will be gradual and incremental from year to year.

CHRONIC AND ACUTE PHYSICAL PHENOMENA:

The Group's plants are located in locations with overall moderate levels of physical risk over the time horizon to 2050, as shown in the following table.

Status at 2024

WEATHER EVENTS	RISK EXPOSURE
WILDFIRE	LOW
COLDWAVE	MEDIUM
HEATWAVE	LOW
WATER STRESS	HIGH
RIVERINE FLOOD	LOW
SEA LEVEL RISE	LOW
HURRICANE	LOW

COUNTRY	WILDFIRE	COLDWAVE	HEATWAVE	WATER STRESS	RIVERINE FLOOD	SEA LEVEL RISE	HURRICANE	RISK EXPOSURE CLASSIFICATION
Turkey – Izmir	🟢	🟡	🟢	🔴	🟢	🟢	🟢	HIGH
Belgium – Gaurain	🟢	🟡	🟢	🔴	🟢	🟢	🟢	HIGH
Turkey – Kars	🟢	🟡	🟢	🔴	🟢	🟢	🟢	HIGH
Egypt – Sinai	🟢	🟡	🟡	🔴	🟢	🟢	🟢	HIGH
Turkey – Trakya	🟢	🟡	🟢	🟡	🟢	🟢	🟢	MEDIUM
USA – Waco	🟢	🟡	🟡	🟡	🟢	🟢	🟢	MEDIUM
Turkey – Elazig	🟢	🟡	🟢	🟡	🟢	🟢	🟢	MEDIUM
Malaysia – Ipoh	🟢	🟢	🔴	🟢	🟢	🟢	🟢	MEDIUM
USA – York	🟢	🟡	🟢	🟡	🟢	🟢	🟢	MEDIUM
China – Anqing	🟢	🟡	🟢	🟢	🟢	🟢	🟢	MEDIUM
Denmark- Aalborg	🟢	🟡	🟢	🟢	🟢	🟢	🟢	MEDIUM
RISK EXPOSURE	LOW	MEDIUM	LOW	HIGH	LOW	LOW	LOW	MEDIUM

Status at 2050

WEATHER EVENTS	RISK EXPOSURE
WILDFIRE	MEDIUM
COLDWAVE	LOW
HEATWAVE	HIGH
WATER STRESS	HIGH
RIVERINE FLOOD	MEDIUM
SEA LEVEL RISE	MEDIUM
HURRICANE	LOW

Strategically, the Group's geographical diversification provides a high degree of resilience. The Group adopts business continuity management processes that ensure an adequate level of plant maintenance in order to limit and/or reduce damage to corporate assets and ensures the resilience of the business and the restoration of operations in the event of force majeure events.

In some areas (Belgium, Turkey, Egypt) there is also significant exposure to water stress

Facilities	2024	2030	2050	2080
Belgium - CCB	EXTREMELY HIGH	EXTREMELY HIGH	EXTREMELY HIGH	EXTREMELY HIGH
Denmark - AP	LOW	LOW	LOW	LOW
Türkiye - IZMIR	EXTREMELY HIGH	EXTREMELY HIGH	EXTREMELY HIGH	EXTREMELY HIGH
Türkiye - TRAKYA	LOW - MEDIUM	LOW - MEDIUM	LOW - MEDIUM	LOW - MEDIUM
Türkiye - KARS	MEDIUM - HIGH	MEDIUM - HIGH	MEDIUM - HIGH	MEDIUM - HIGH
Türkiye - ELAZIG	LOW - MEDIUM	LOW - MEDIUM	MEDIUM - HIGH	MEDIUM - HIGH
Egypt - SWC	ARID	ARID	EXTREMELY HIGH	EXTREMELY HIGH
Malysia - AP IPOH	LOW	LOW	LOW	LOW
China - AP ANQING	LOW - MEDIUM	LOW	LOW	LOW
Usa - LWCC_WACO	LOW - MEDIUM	LOW - MEDIUM	LOW - MEDIUM	MEDIUM - HIGH
Usa - LWCC_YORK	LOW	LOW	LOW - MEDIUM	LOW - MEDIUM

		TIME HORIZON	DESCRIPTION	IMPACT	MITIGATION ACTIONS	SDGs
PHYSICAL RISK	**CHRONIC RISK**	Medium Term	**Water stress due to global warming**	The Group operates in certain areas defined as under high water stress, with the risk of increased supply costs.	As part of its climate commitments, the Group has defined its policy on water management. Maximising its reuse/recycling, minimising withdrawals and consumption (including losses) and the implementation of efficient operating practices are the main areas of intervention, starting with those geographical areas with the greatest water scarcity. The Group has set targets to improve specific water consumption in cement production (water consumption (litres) / TCE (ton of cement equivalent)). In 2024, the targets were updated and now call for a 30% reduction in specific water consumption by 2030, compared to the 2019 value (previously the targets called for a 25% reduction). The target to reduce specific water consumption in high water stress areas remains unchanged at 25 per cent by 2030, compared to the 2019 value. In addition, the Group is committed to maximising water reuse and recycling, minimising water withdrawals and consumption (including leakage) and implementing efficient operating practices, with a priority for regions facing the most severe water stress. In 2022, by becoming a signatory to the WASH Pledge, the Group committed to ensuring access to WASH (water, sanitation and sanitation) at an appropriate level of standard for all employees and contractors at all locations under direct control, supporting partners across value chains and communities. Compliance and progress of WASH action plans are monitored periodically.	

TRANSITION RISKS AND RELATED OPPORTUNITIES

In recent years, the whole Group has been actively engaged in pursuing a transition to a low-carbon economy by defining a 10-year Roadmap.

Related risks and opportunities are presented in the following table:

	TIME HORIZON	DESCRIPTION	IMPACT	MITIGATION ACTIONS	SDGs
TRANSITION RISK	Medium – Long Term	**RISK/ OPPORTUNITY Carbon Capture “CCS”**	**TECHNOLOGY** Technology is the main driver to significantly reduce the company's CO_2 emissions in the medium to long term. The adoption of breakthrough technologies is essential to achieve 'net zero emissions' cement production. The Company places emphasis on the development and implementation of carbon capture and storage (CCS) technology as a key component in achieving its CO_2 emission reduction targets. Currently, the Group is exploring various opportunities, mainly in Denmark and Belgium. In October 2024, the carbon capture and storage project developed by Aalborg Portland and Air Liquide was selected by the European Commission to receive a EUR 220 million contribution under the EU Innovation Fund. The project, which is scheduled to be operational by the end of 2028, will reduce emissions from Aalborg Portland by approximately 1.5 million tons per year. Previously, Aalborg Portland's target was to capture at least 400,000 tons of CO_2 per year, thereby contributing to both the company's emission reduction targets and the Danish government's objectives to reduce Denmark's greenhouse gas emissions by 70% by 2030 compared to 1990 levels. The know-how acquired by the Group in this area can be used to develop a carbon capture and storage system at its Belgian subsidiary, CCB, from 2032. The successful implementation of this innovative technology also depends on exogenous factors outside the company's control, such as CO_2 transport and storage infrastructure, public acceptance and climate regulations, which could directly influence and potentially delay the project. Additionally, a direct risk associated with this new technology is its performance, as no facility to date has successfully operated it worldwide. If the technology does not function as expected, it could compromise the planned CO_2 reductions.	Continued support for research and innovation for the development of CCS and the use of CAPEX/OPEX for the full industrialisation of these technologies. Group involvement in various research projects aimed at facilitating the implementation of carbon capture and storage (CCS) in its operations, including through the installation of pilot plants.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION

TIME HORIZON	DESCRIPTION	IMPACT	MITIGATION ACTIONS	SDGs
Short Term	**RISK** **Reputational risk**	**REPUTATION** According to the Global Cement and Concrete Association, the cement industry is responsible for about 7% of global CO_2 emissions. The risk of being perceived as a major carbon emitter by the public could reduce the company's attractiveness to stakeholders. This reputational risk is further amplified by stakeholders' growing focus on the achievement and consistency of the Group's climate targets, as well as heightened attention on green claims, especially in light of the new European legislation on the matter.	Cementir is committed to ensuring that its targets are always aligned with the latest scientific developments. In this regard, in February 2024, the Group received validation of its short- and long-term climate targets by the Science Based Target initiative (SBTi), which confirmed their consistency with the 1.5°C scenario. In addition, SBTi approved Cementir's overall net zero emissions target by 2050. Cementir is actively engaged with ESG rating agencies to ensure accurate assessment and transparent communication with stakeholders.	
Long Term	**RISK/** **OPPORTUNITY** **Introduction of new CO2 emission laws and regulations**	**POLICY & REGULATION** Following the Paris Climate Agreement (COP21), signatory countries are required to commit to an emission reduction path. It is expected that this will lead to increased regulations, thereby increasing the costs associated with CO_2 emissions. Carbon prices linked to emissions trading systems (e.g., ETS), carbon taxes, and other restrictive policies are expected to increase in the future as governments implement measures to reduce greenhouse gas emissions in line with the Paris Agreement. The speed and magnitude of the potential increase in carbon prices due to the new regulations is uncertain and will vary from country to country. This risk was assessed through different price scenarios (high, medium and low) based on carbon price projections in each country, taking into account the introduction of carbon capture and storage (CCS) technology from 2030. At the same time, the transition to a decarbonised economy, driven by new standards and regulations, could increase the Group's demand for low-carbon products.	The Group minimises its exposure to the risk of new taxes and regulations by: • implementing its Roadmap for Sustainability, which aims to achieve carbon neutrality by 2050; • developing low-carbon products that meet the requirements of the new regulations; • maintaining a constant dialogue with national and international bodies.	
Medium Term	**RISK** **OPPORTUNITY** **CBAM – Carbon Border Adjustment Mechanism and ETS reports**	**POLICY & REGULATION** If initiatives such as the 'Carbon Border Adjustment Mechanism' (CBAM) are not sufficiently designed to protect EU competitiveness, the cement business could face price pressure due to imports from regions with less stringent CO_2 regulations. On the contrary, the introduction of this tax could create a competitive advantage over other non-EU cement companies in terms of price. In recent years, the quantities of cement imported into Europe have increased compared to the past.	Monitoring the evolution of regulations with the support of international bodies (European Union, Governmental Authorities, Cembureau, GCCA) and consequent transposition to the new rules. The Industrial Roadmap will support the Group in becoming a resilient company through a low-carbon economy. In 2024, a Group-wide CBAM procedure was issued.	

TIME HORIZON	DESCRIPTION	IMPACT	MITIGATION ACTIONS	SDGs
Medium Term	**RISK** **Scarcity of raw materials**	**MARKET** The supply of alternative raw materials, such as fly ash and blast furnace slag, has become increasingly critical due to declining steel production and the gradual closure of coal-fired plants. In the medium term, the phasing out of coal-fired power plants in Europe could lead to a fly ash shortage. At the same time, global demand for these materials continues to grow, making it more difficult to secure long-term contracts and increasing the potential risk of supply shortages. Another strategic material for the achievement of the Group's objectives is calcined clay, which is essential for the production of FUTURECEM and for the reduction of the clinker ratio. Today, there are a limited number of suppliers. With the development of low-carbon products, the demand for these materials will grow, making the Group more dependent on their prices and availability.	In order to reduce the shortage of these materials, the Group is securing its supply through long-term contracts; search for new suppliers and partial replacement of fly ash with similar materials available on the market (e.g. oxytone). Another strategy implemented is to secure clay quarries for the production of FUTURECEM.	
Medium Term	**RISK** **Biomass shortage**	**MARKET** Biomass plays a strategic role in implementing the Group's Sustainability Roadmap and ensuring compliance with European emission regulations. In the medium to long term, the increasing demand for high-quality biomass could cause supply difficulties and price increases. In addition, the use of biomass in the Group's plants will require local investments for improvements and/or modifications of the facilities, which are necessary to increase their use.	In order to reduce the shortage of these fuels, the Group is securing its supply through long-term contracts.	
Short term	**OPPORTUNITY** **Development of low emission impact products**	**MARKET** Innovation is a key factor in the long-term success of the company developing low-carbon products. To meet market demands, the Cementir Group has developed new types of cement, such as FUTURECEM, which reduce CO2 emissions by 30% compared to traditional cement, and D-Carb, which reduces the CO2 footprint by 15% compared to traditional white cement. The Group is also promoting a more environmentally friendly ready-mixed concrete (RMC) offering along the entire value chain and has introduced a new product portfolio under the C-Green and UNI Green brands with a low carbon footprint.	The Group meets the needs of customers along the value chain by developing and delivering products, solutions and technologies that address the key challenges facing the construction industry. The Group continuously develops and introduces new low emission products: increasing the use of decarbonised material (e.g. blast furnace slag); producing limestone cement or cement using fly ash; In addition, the Group aims to reduce the clinker ratio by using FUTURECEM and other new products.	

TIME HORIZON	DESCRIPTION	IMPACT	MITIGATION ACTIONS	SDGs
Medium-term	OPPORTUNITY **Recovery and potabilization of water removed in quarry operations**	**RESOURCE EFFICIENCY** The recovery and potabilization of the water removed during the exploitation of the limestone quarries in Belgium (Clypot and Gaurain) represents an opportunity, because it allows local communities to save the aquifer in an area of high-water stress and allocate it to civil uses. This recovery increases the company's resilience to future regulatory changes, reduces the risk of conflicts with other stakeholders using the same aquifer (e.g., villagers, customers), and contributes to the sustainable management of water resources. In Clypot, the entire system has been operational since March 2021, and in 2023, 1,300 megalitres of drinking water were successfully recovered, treated and distributed. As for the Gaurain quarry, an agreement was signed in 2022 with the local authority to carry out a similar water purification project, with the first investments planned for 2024. Upon completion of the Gaurain project, an additional 2,000 megalitres of water per year can be recovered, further contributing to sustainable water management and community supply.	Increased water supplies up to 4,000,000 cubic metres per year thanks to investments made in Clypot and Gaurain. Close collaboration with local authorities to minimise the company's impact on the local community, located in a water-stressed area.	
Medium – Long Term	OPPORTUNITY **Green Energy**	**ENERGY SOURCE** As part of the Group's strategy to reduce Scope 2 emissions, it is planned to increase electricity from renewable sources, either by purchasing or producing it internally. The Group is assessing the feasibility of wind turbine and solar panel projects.	Definition of a roadmap to increase the use of renewable energy throughout the Group, entering into purchase and/or own production agreements (for example solar panels or wind turbines). In this regard, in 2023 the Group entered into agreements with Engie and EtherEnergy for its subsidiary in Belgium, CCB, reaching a maximum power that can be delivered, between wind and solar, of 25 MWh. In Denmark, the government has pledged to obtain 100% of electricity from renewable energy sources by 2030. Aalborg Portland, the Danish subsidiary, is currently in the process of obtaining permits to install two wind turbines.	
Medium-term	OPPORTUNITY **Increased supply of district heating in the city of Aalborg**	**ENERGY SOURCE** The Aalborg plant recovers excess heat from cement production to provide district heating to local residents. In 2023, Aalborg Portland delivered approximately 1 million GJ of energy to the municipality of Aalborg. According to the engineering project developed by the Group, the Aalborg plant could improve energy supply by a further one million GJ reaching 50,000 households.	Negotiations are ongoing with the municipality of Aalborg to define the size and increase of the capacity of the heating supply. The Group is also considering implementing waste heat recovery at its Belgian subsidiary.	

FINANCIAL RISK MANAGEMENT AND INFORMATION RELATING TO FINANCIAL INSTRUMENTS

The Cementir Holding Group is exposed to financial risks in connection with its operations; in particular to credit risk, liquidity risk and market risk.

Credit risk

Credit risk is related to possible losses that can occur if a counterparty fails to fulfil its obligations.

Credit risk could mainly derive from operating activities, in particular trade receivables from customers. The Cementir Group has entrusted local management with the regular management of trade receivables on the basis of specific policies that define the criteria for credit limits, achievement guarantees and payment conditions. Credit limits are generally defined for each customer after a risk analysis provided by external rating agencies and are periodically reviewed. Based on these policies, any order that exceeds the agreed credit limits must be reviewed and individually approved for creditworthiness.

With respect to bank deposits and derivatives, the Group has always worked with leading counterparties, thus limiting its credit risk in this sense.

All customers are monitored locally, based on their individual features, including their business, distribution channel, geographical position and any previous financial difficulties. Credit risk is regularly monitored including by analysing the performance of specific indicators based on variables such as total trade receivables and past due receivables.

Local Credit Risk Committees periodical meetings, at local level, analyse and discuss the Group’s companies ageing, credit performance and any specific critical issues.

The Cementir Group establishes provisions for trade receivables, to cover potential losses, on the basis of regular follow-ups on customer situations.

Liquidity risk

The Group is exposed to liquidity risk in relation to the availability of financing and its access to credit markets and financial instruments in general. Given the Group's strong financial position and available credit lines, this risk is remote. However, the Group manages liquidity risk by carefully monitoring cash flows and financing needs. There is a particular focus on the Group's management to increase operating cash flow and control investments in both plant and equipment, both intangible and property, naturally safeguarding that required for the technical development and efficiency of the production plants with assigned cash generation objectives for all Group entities. Existing credit lines are however deemed adequate to meet any unexpected needs.

Market risk

Market risk is mainly linked to exchange rate and interest rate fluctuations.

Exchange rate risks are systematically monitored at Group level to assess any impact in advance and take the necessary mitigation actions. Since the purpose is to limit exchange rate risks, when a currency exposure is identified and the decision to hedge it is made, forward rate agreements are finalised with the banking system in both the "Forward contract without delivery option" and "Forward contract with delivery option" formats. Financial instruments must be used exclusively for hedging purposes and must not be traded, where trading is defined as taking positions where the Group does not have a natural underlying exposure.

Finally, the Cementir Group has variable rate bank loans and is exposed to the risk of **interest rate fluctuations**. However, this risk is considered moderate since the loans are currently only in Euros and the Danish krone and the medium/long-term rate curve is linear. However, the Cementir Group monitors interest rates and expected times for the repayment of the debt and purchases interest rate swaps as a partial hedge of the interest rate risk.

For information on financial risks, see Notes 12) and 32) to the consolidated financial statements.

OTHER INFORMATION

ALTERNATIVE PERFORMANCE INDICATORS

The Cementir Group uses some alternative performance indicators to enable a better assessment of the performance of economic management and the capital and financial situation. In line with that established in the ESMA/2015/1415 guidelines, the meaning and contents of those indicators are noted below.

- EBITDA: is an indicator of operating performance calculated by adding together "EBIT" and "Amortisation, depreciation, impairment losses and provisions";
- Net financial debt: represents an indicator of the financial structure and is calculated as the sum of the items in accordance with Consob Communication 6064293/2006, updated on the basis of Communication No. 5/21 of 29 April 2021 in implementation of the recommendations contained in paragraph 175 of ESMA Recommendation 32-382-1138 of 4 March 2021:

- Current financial assets;
- Cash and cash equivalents;
- Current and non-current financial liabilities.

- Net capital employed: is calculated as the total amount of non-financial assets, net of non-financial liabilities.

ORGANISATION AND CONTROL MODEL PURSUANT TO LEGISLATIVE DECREE 231/2001

On 8 May 2008, the Board of Directors of Cementir Holding approved a new organisational, management and control model based on a careful analysis of the risk of corporate offences in connection with Group operations. The model complies with guidance provided by Legislative Decree No. 231/2001, Italian best practice and Confindustria recommendations.

The Company also adopted a Code of Conduct endorsing the business principles that all company officers and employees, and anyone working with the company in any capacity, are required to comply with, in pursuing company business.

Furthermore, the Company appointed the Supervisory Body pursuant to Legislative Decree 231/2001 to carry out the task of updating and supervising the implementation of the Model adopted by the Company, with the support of the Internal Audit function for specific initiatives.

The Model has been periodically updated since 2008 to reflect organisational changes, as well as regulatory updates (new offences added) to Legislative Decree 231.

On 28 June 2019, the Extraordinary General Meeting of the Company decided to transfer its registered office from Rome to Amsterdam, adopting the legal form of a Dutch Naamloze Vennootschap and changing its name to Cementir Holding N.V. On 5 October 2019, when all the conditions had been met, the Dutch notarial deed necessary to transfer the Company's registered office was signed, effective as of the same date.

As a result of this transfer, from 5 October 2019 the Italian regulations under Legislative Decree 231/2001 no longer applied to the Company. At the same time, as a result of the transfer, the Supervisory Body set up in accordance with this law also ceased to exist.

Notwithstanding the foregoing, the Company, also in consideration of its own sharing of the principles inspiring the legislation in question and in general of a sound company management, nevertheless continues to apply (i) its own Code of Ethics (although this must not be understood as subjecting Cementir Holding or the Group to the previously applicable legislation) as well as (ii) the Model in consideration of the circumstance that the Company's operations are carried out in Italy, where Cementir Holding has established its own secondary and operational office.

On 13 November 2019, the Company's Board of Directors also appointed an Ethics Committee, made up of the Group General Counsel and the Company's Chief Internal Audit Officer, granting this committee powers equivalent to those of the Supervisory Body.

RELATED-PARTY TRANSACTIONS

With regard to related-party transactions, as defined by IAS 24, the Group did not conduct any atypical and/or unusual transactions. All business and financial dealings with related parties were conducted on terms equivalent to those that prevail in arm's length transactions.

The Group did not conduct any significant or material transactions concerning related-party transactions. For a detailed analysis of the financial and economic relations with all related parties, please refer to Note 34 of the consolidated financial statements and Note 31 of the financial statements.

TREASURY SHARES

The number of treasury shares held following the completion of the share buy-back programme (the "Programme") in October 2021 has not changed.

It should be noted that under the Programme, between 15 October 2020 and 12 October 2021 (ends included), 3,600,000 treasury shares, equal to 2.2624% of the share capital, were purchased on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. at a weighted average price of EUR 8.1432 per share and for a total outlay of EUR 29,315 thousand.

MANAGEMENT AND COORDINATION

Cementir Holding NV sets its general and operational strategies independently. In particular, the Board of Directors of Cementir Holding NV has sole responsibility for reviewing and approving strategic, commercial and financial plans, and for overseeing the adequacy of organisational, administrative and accounting structures.

PERSONAL DATA PROTECTION

Also due to the entry into force of the relevant legislation (EU Regulation 679 /2016) as well as following Legislative Decree 101 of 10 August 2018, the Parent Company has equipped itself with operational tools and internal regulations to ensure the protection of personal data according to the expected regulatory standards.

Subsequently, it implemented and completed a project to update its policy on the subject and is currently engaged in strengthening its safeguards, including IT, for the protection of personal data.

Litigation

The Company is responsible for leading the defence in proceedings, of which it is not a party in accordance with the terms and conditions set out in a settlement agreement with Italcementi S.p.A., relating to the sale of the shares of Cementir Italia S.p.A. (today Cemitaly S.p.A.), Cementir Sacci S.p.A. (today Italsacci S.p.A.) and Betontir S.p.A., finalised on 2 January 2018.

Other legal disputes

The dispute filed on January 29, 2017, by the Capital Market Board (CMB), the regulatory and supervisory body of the Turkish stock exchange, on behalf of Cimentas AS and against Cementir Holding before the Izmir Court, was definitively closed with the payment by the defendant in favor of Cimentas AS of the equivalent of 6.9 million Euros on January 28, 2025. Since this is a transaction between two companies within the Group, it has a neutral effect on the consolidated accounts.

SUBSEQUENT EVENTS AFTER THE REPORTING DATE

On 11 February 2025, the Parent Company's Board of Directors approved the 2025-2027 Industrial Plan update, to whose press release please refer (www.cementirholding.com in the Investors, Press Releases section).

The new Group industrial plan envisages the achievement of the following targets to 2027, which exclude both the impact of IAS 29 and non-recurring items:

- **Revenues increased to around EUR 2 billion**, with a compounded annual growth rate (CAGR) of 6-7%. The Plan anticipates moderate growth in cement sales volumes, with an acceleration in 2025 driven by increased production capacity in Egypt and a slight recovery in Denmark and Asia Pacific, offset by a slight decline in Türkiye. Stable or slightly increasing volumes are expected for ready-mixed concrete and aggregates over the three-year period. Prices are expected to be on average stable or rising with inflation and include the Danish CO_2 emission tax.
- **EBITDA at about EUR 465 million**, with a compounded annual growth rate (CAGR) of about 5%. A differentiated trend is expected in the different geographic areas with growth mainly in the Nordic & Baltic area, Belgium, Asia Pacific, North America and Egypt, while the contribution of Türkiye is expected to decrease. Plan assumptions include: increased production capacity in Egypt with the restart of the second production line, increased production efficiencies in Belgium as a result of the upgrade of Kiln 4; the increase in the cost of electricity and some fuels, and an average annual shortage of about 200,000 tons of CO_2, which includes an increase in 2027 due to the reduction of free emission allowances in European plants. The EBITDA margin is expected to be slightly lower than in 2023-2024.
- **Average annual capex of approximately EUR 86 million** directed towards developing production capacity, maintaining plant efficiency, health and safety and digitisation.
- **Additional cumulative sustainability capex of EUR 53 million** for projects that will reduce CO_2 emissions in line with Group targets. This amount excludes, as mentioned above, the ACCSION project.
- **Net cash position of about EUR 700 million at the end of 2027** resulting from a cash generation of more than EUR 400 million.

Finally, the Plan assumes the distribution of a growing dividend, corresponding to a payout ratio between 20% and 25%.

In February 2025, Cementir Holding was included for the first time in CDP's prestigious “A List”, a recognition of strategies and actions implemented to mitigate climate change and promote corporate transparency. Cementir also maintained its leadership in water management by achieving a score of A- in CDP Water, for the third consecutive year.

No other significant events occurred after the year ended.

MANAGEMENT OPERATING OUTLOOK

The macroeconomic scenario remains characterized by high uncertainty, with weak global growth but differing trends across regions. The increase in household real incomes, supported by the gradual decline in inflation and more accommodative financial conditions, is expected to sustain economic activity in the coming months. However, divergent national dynamics—such as labor market conditions, demand fluctuations, exchange rate variations, and sensitivity to shocks—could impact global growth.

In China, the ongoing real estate market crisis continues to weigh on domestic demand. International trade prospects could be negatively affected not only by escalating geopolitical tensions but also by a tightening of U.S. trade policy. Oil prices have risen, while natural gas prices remain volatile and subject to upward pressure due to factors linked to both demand and supply.

For 2025 the Group expects to achieve consolidated revenue of approximately EUR 1.75 billion, based on volumes recovery, price increase driven by inflation and the Danish CO2 emission tax effect; an EBITDA of around EUR 415 million, and a net cash position of around EUR 410 million by year-end, assuming a constant scope of consolidation.

Planned investments are equal to approximately EUR 98 million (EUR 125.4 million in 2024), of which around EUR 14 million in sustainability projects. Research and development expenses are expected to be stable compared to 2024, as is the average number of employees. The Group does not envisage the need for new external financing, given the cash generation and the net cash position expected by year end.

These forward-looking indications do not include: i) the impacts of the application of IAS 29; ii) any non-recurring items; iii) the impact of any worsening of the geopolitical situation or other extraordinary events.

The foregoing solely reflects the views of the company's management, and does not constitute a guarantee, promise, operational suggestion or even investment advice. Therefore, it should not be taken as a forecast on future market trends and of any financial instruments concerned.

PROPOSED ALLOCATION OF THE PROFIT FOR THE YEAR 2024 OF CEMENTIR HOLDING NV

The Board of Directors proposes that the General Meeting:

- to approve the Directors' Report for 2024 and the financial statements for the year ended 31 December 2024, which show a profit of EUR 45,779 thousand;
- to allocate to the Shareholders, by way of dividend, a total amount of EUR 43,546 thousand, net of treasury shares, in the amount of EUR 0.28 per ordinary share, gross of any statutory withholdings, using the profit for the year for EUR 43,546 thousand;
- to allocate the remaining part of the profit for the year to be carried forward for EUR 2,234 thousand.

Rome, 11 March 2025

Chairman of the Board of Directors

Signed: /f/ Francesco Caltagirone Jr.

SUSTAINABILITY STATEMENT

GENERAL INFORMATION

BASIS FOR PREPARATION

General basis for preparation of sustainability statements

This Sustainability Statement for the fiscal year 2024 has been prepared on a consolidated basis.

The scope of the report covers the entire Cementir Group including the data on the parent company and its fully consolidated subsidiaries. Furthermore, it also fully consolidates the sustainability data on the subsidiary SCT which, in the Financial Statement, is consolidated applying the proportional method (since it is controlled at 65%).

The Sustainability Statement (SS) consolidates the information on the entire Cementir Group, by covering the main value chain of the Group, including the Impact, Risk and Opportunities (IROs) identified in its upstream, downstream, and own operations. The qualitative and quantitative information reported in the SS is derived from a data-gathering process performed at the levels of Holding and single legal entity.

During the preparation of this report, the option to omit in accordance with ESRS 1 section 7.7 has been used in reporting information about the internal price of carbon as this information discloses commercial strategies. Cementir Holding N.V. is multinational company with registered offices in the Netherlands, which is an EU member state.

It has to be noted that the Company used the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a (3) and 29a (3) of Directive 2013/34/EU.

We declare that this exemption has been used as regards future gross emissions for 2025 and 2030 (EI-6), the company reserves the right not to disclose this information as it could reveal turnover and volumes. For this reason, the Company reserves the right to communicate only the equivalent intensity and not the gross emissions.

The Company counts 41 subsidiaries (including parent Company) in 15 different countries. Subsidiaries are defined as all the companies over which Cementir Holding N.V, at the same time, holds:

- the power of decision making or the ability to direct relevant activities of the subsidiary, that is activities that have a significant influence on the results of the subsidiary;
- the right to the variable results (positive or negative) resulting from the investment in the entity;
- the capacity to use its own power of decision making to determine the amounts of the results arising from the investment in the entity.

Please refers to Cementir Holding's Management Report for further details about the scope of reporting. The Report discloses the data for the period 1 January 2024 – 31 December 2024, is drafted annually, and is approved by the Board of Directors of Cementir Holding NV. It is aligned with the reporting period of the Company's Management Report (refer to Cementir Holding's Management Report).

Where possible, data from previous years are included for comparative purposes to enable an assessment, over time, of the performance of the Group – but only with respect to the data with the same definition as under the GRI standards. Where possible, data from previous years are included for comparative purposes to enable an assessment, over time, of the performance of the Group – but only with respect to the data with the same definition as under the GRI standards.

It is impracticable to disclose revised comparative figures, for the ones for which data gap compared to GRI has been identified, for one or more prior periods (ESRS 2 BP-2 par 13 (b)).

The information disclosed in the Sustainability Statement has been defined using the “European Sustainability Reporting Standards” (ESRS) as a methodological reference issued by the European Management Reporting Advisory Group (EFRAG), a private association established in 2001 with the encouragement of the European Commission to serve the public interest.

The 2024 Sustainability Statement shows the results of the analyses performed by the Company according to art. 8 of EU Regulation 2020/852 of June 18th, 2020 (EU Taxonomy) and Delegated Regulations 2021/2178 and 2021/2139. The results of the analysis as well as the description of the methodological process, are reported in the related section.

The Sustainability Statement was subjected to limited assurance by PwC Accountants NV.

The limited assurance, in line with the regulatory frameworks in force, includes also the information and data related to the "EU Taxonomy" section and the art. 8 of EU Regulation 2020/852 too.

Time horizon

The three-time horizons can be summarised as follow:

• **The short term** (1-3 years), in which sensitivity analyses based on the Industrial Plan presented to investors can be performed;

• **The medium term** (until 2030) is a time horizon beyond the Industrial Plan but addressed by the Cementir Climate Change Strategy and its 10-year roadmap.

• **The long term** (2030-2050), in which chronic structural changes in the climate should begin to emerge

Medium and long-term time horizons definition is aligned with the recommendations of international frameworks such as TCFD and with the time horizons envisaged by the group's industrial plan and decarbonization Road Map**.**

Sources of estimation and outcome uncertainty

Any value chain data is calculated on the basis of average values provided by third-party databases such as Ecoinvent for Scope 3. For further details, refer to the section dedicated to Scope 3.

Environmental data made on estimates.

Regarding the estimates used and outcome uncertainty, as requested by the ESRS 2 BP-2 paragraph 11, the following table shows the list of quantitative metrics and monetary amounts that are subject to high level measurement uncertainty:

Disclosure Requirement	Specific Metric	Information about the measurement uncertainty	Page
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	Direct emissions of CO2 equivalents (Scope 1)	The default CO2 emission factors of the Global Cement and Concrete Association were used. Please refer to the Global Cement and Concrete Association (GCCA) The Cement CO2 and Energy Protocol, Version 3 CO2 and Energy Accounting and Reporting Standard for the Cement Industry.	223-227
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	Indirect emissions of CO2 equivalents (Scope 2)		223--227
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	Indirect emissions of CO2 equivalents (Scope 3)	The emission factors provided by Ecoinvent 3.7.1 were used. The Ecoinvent Database is a database that has emission factors linked to the electricity production mix of several countries around the world. To calculate the indirect emissions of CO2 equivalents (Scope 3), the emission factor databases used for this calculation were: Ecoinvent 3.8 for 2021, Ecoinvent 3.9 for 2022, BEIS&DEFRA (2021-2022) and IEA (2022).	223--227
E4 Biodiversity and ecosystems	Aggregate and analyze biodiversity data from all operational sites to evaluate the overall impact of the Group	This analysis was carried out using the Integrated Biodiversity Assessment Tool (IBAT), the world's leading database for species and ecosystems, and focuses on all of its 38 quarries. The assessment identifies sensitive sites based on their proximity to protected areas, Key Biodiversity Areas (KBAs), and the presence of threatened species as classified by the IUCN Red List of Threatened Species.	241-261

Company, business model and stakeholder engagement

Information on the market position and strategy of the company

Cementir Holding N.V. is multinational company with registered offices in the Netherlands, listed on the Euronext Star Milan segment, operating in the building materials sector, and focused on four main business lines: grey cement, white cement, ready-mixed concrete and aggregates. With over 3,000 employees, Cementir is the global leader in the white cement niche segment, the leading producer of cement in Denmark and of ready-mixed concrete in the Scandinavian area, the third largest producer in Belgium and among the main international players in Türkiye, with two listed companies on the Istanbul Stock Exchange. In Belgium, the Group operates one of the largest aggregate quarries in Europe, while in Türkiye is active in the processing of industrial waste, used to produce waste-derived fuel for cement plants.

Cementir pursues a sustainable growth strategy, focusing on product leadership, the pursuit of excellence and the efficiency of operating processes. In the last two years the Group has achieved important ESG recognitions, including the validation of its 2030 decarbonization objectives by the Science Based Target initiative (SBTi) and an A rating by CDP on climate change and A- on water security. The Group also holds an investment grade BBB financial rating with stable outlook from Standard & Poor's. Since 1992 Cementir has been part of the Caltagirone Group, one of the leading business groups in Italy with activities ranging from real estate to construction, from publishing to finance.

The following table shows the mapped significant activities in accordance with ESRS sectors:

Significant activities	Relevant ESRS sectors
C.23.51 Manufacture of cement	MMB
C.23.63 Manufacture of ready-mixed concrete	MMB
B.08.99 Other mining and quarrying n.e.c.	MQC
E.38.22 Energy recovery	UWW
E.38.31 Incineration without energy recovery	UWW
E.38.33 Other waste disposal	UWW
G.46.83 Wholesale of wood, construction materials and sanitary equipment	SST

How cement is made

The Cementir Group’s main area of operations is the production of cement. The process, which has been refined over the centuries, from the mortars of the Ancient Egyptians to early 19th century industrial models, starts with natural raw materials such as limestone, gypsum and clay, which are extracted from natural quarries and then crushed. They are then portioned out, mixed with other elements and ground to obtain the ‘raw meal’.

The raw meal is cooked at very high temperatures in special kilns, which are fuelled mainly by fossil fuels, in order to obtain a semi-finished product known as ‘clinker’, cement’s main component. Once cooled, clinker undergoes a process of grinding, mixing with gypsum and other mineral constituents (slag, fly ash, limestone, pozzolana), to obtain the various types of cement.

Thanks to its strong industrial capacity and a comprehensive presence on international markets, in 2024 Cementir Holding distributed worldwide around 8.0 million tons of grey cement and around 2.7 million tons of white cement of various types and classes, produced in 11 plants located in Denmark, Belgium, Türkiye, Egypt, China, Malaysia and the US.

Leader in white cement

The Cementir Group is the world's leading producer and exporter of white cement, with a 27% share of worldwide trade and a production capacity of over 3 million tons. With the Aalborg White® brand we are the leader in China, the United States, Western Europe, Australia, Malaysia and Egypt.

Aalborg White® has always been identified with white cement, throughout the world. It is a pure, high-quality cement that can be found everywhere from Park Avenue skyscrapers in Manhattan, to the London Olympics structures and even the Lindholm Høje Museum in Nørresundby, Denmark[1].

The distinctive features of white cement are its colour and high levels of performance. The white colour is obtained through the use of highly pure and carefully selected raw materials, the use of complex production processes and an extremely rigorous quality control process which allow this material to be used in complex architectural designs and sophisticated aesthetic applications.

What is special about the limestone used for manufacturing Aalborg White® is the lack of contamination from sand and clay, which makes it very pure and ideal for the production of white cement. The combination of this pure raw material, high-quality sands and kaolin, advanced technology, a specialised workforce and over 100 years of experience have made Aalborg White® cement unique in the world for its properties such as high reflection, high mechanical performance, low alkali content and high resistance to sulphates. As the world leader in the white cement market with the Aalborg White® brand, Cementir offers a wide product range which meet the strictest international standards. Our industrial processes are inspired by the Group's consolidated best practices that guarantee our customers a unique level of quality and reliability over time. Our research quality technical centre (RQT) has a worldwide reputation for international patents, awards and multiple collaborations with prestigious universities.

InWhite®

The Cementir Group established a global innovation engine for white cement, InWhite®, with the purpose of generating a prioritized and actionable pipeline of high potential customer value proposition global initiatives, bringing new solutions for well-known applications, or completely new applications for white cement-based products, aligned with megatrends detected in society, such as customization, the circular economy and high-energy efficient solutions.

The InWhite® process benefits from the Group's global knowledge of both well-established and emerging applications for white cement and the technical expertise of its internationally acclaimed R&D centre located in Aalborg, Denmark.

The Aalborg InWhite Solution® has become the umbrella brand for commercialized high-added value and high-performing products like UHPC (Ultra High-Performance Concrete) and others, identified and developed under InWhite® initiatives, that Cementir Holding provides to the building industry. Within its innovation pipeline, under InWhite®, in late 2019 the Cementir Group launched innovative UHPC pre-mixes Aalborg Extreme® for infrastructure applications and Aalborg Excel® for more aesthetic and sophisticated applications. In order to meet customer's needs for UHPC in the Far East region, Aalborg Excel® has also been produced in our plant in Malaysia since 2023. In 2023 it was also launched InBind® which is a white cementitious binder to be used in mortar and concrete recipes for high performance and highly aesthetical applications.

All InWhite® products are based on FUTURECEM® concept disclosed below.

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[1] *Please see Projects | Cementir Holding N.V. for the main applications of our cements.*

Grey cement

Cementir produces and distributes all types of grey cement, which are classified by type (based on the composition of clinker and other constituents such as blast furnace slag, micro silica, pozzolana, ash, calcined shale, limestone and secondary ingredients) and by class based on mechanical compressive strengths.

All the products follow rigorous industrial processes and Group consolidated best practices in order to guarantee consistent quality to our customers over time.

The wide range of cement offered allows customers to fulfil all the requirements for the different durability classes in concrete as well as to meet the needs of their production processes.

Since 2021, Cementir Holding, leveraging limestone and calcined clay, has been producing FUTURECEM® in Denmark and Belgium, being at the forefront of this innovative product solution.

Difference between grey and white cement

White and grey cement are two distinct products, with different applications and production methods. White cement should therefore be viewed as a separate product for the following reasons:

- White cement is mainly used for high-performance applications, dry-mix products, mortars, special products and decorative purposes. Grey cement is widely used in ready mixed concrete as well as precast concrete. White cement supports the development of future sustainable cement-based technologies and products, responding to megatrends in construction such as the circular economy where, among others, enhanced durability, modularisation of construction, reduced work processes and reduced material usage, are essential.
- White cement is a specialty product produced at a limited number of facilities and traded widely across borders inside and outside of the EU, as well as internally within Europe. Grey cement is a commodity which is often used close to the production site.

White cement applications have a number of benefits related to climate change.

- The light colour reflects sunlight and thus reduces the ‘heat island effect’ in cities as well as the need for artificial cooling in buildings. White surfaces also reduce the need for lighting in tunnels.
- The chemical purity of white cement, as a result of the refined raw materials used and strict production process management, enables the growth of unique, low-carbon concrete solutions and products such as high- and ultra-high-performance concrete and glass fibre-reinforced concrete, where the usage of material is minimised to unprecedented levels (large cladding and structural wall components reduced to as little as 12 to 35 mm in thickness). These technologies are essential for efforts to reduce clinker consumption in buildings, by minimising material consumption.

The many differences are summarised in the following table:

	White cement	Grey cement
Applications (est. % of cement consumption by segment in Europe)	· Dry mix/mortars/specialty products (50-70%) - Cement-based paint - Plaster - Grout, putty - Decorative concrete panels - Sealing products · Bricks, blocks and tiles (20-30%) - Terrazzo (up to 15% in Mediterranean countries) - Decorative bricks and tiles · In-situ and pre-cast concrete (10-20%) - Facade elements - Iconic buildings and other aesthetic applications	· Ready-mix and pre-cast concrete (55-65%) - Mass concrete for infrastructure works: dams, harbours, bridges, tunnels, culverts, road surfaces - Housing and industrial buildings · Bricks, blocks and tiles (30-40%) - Pipes - Paving stones, kerbs - Roofing tiles · Dry mix/mortars and other applications (5-10%)
Market position	Niche product	Commodity product
Raw materials	· High grade, iron-poor chalk, limestone or marble · Kaolin, bauxite · Iron-poor sand (quartz sand, shifting sand, etc.)	· Locally available limestone or marl · Clay, shale, fly ash · Low-grade sand · Iron oxide, pyrite ash

Cementir Quality System

All Cementir business units, including the cement plants in Türkiye, Belgium, Denmark, China, Malaysia, and the US, and the concrete batching plants in Europe and Türkiye, comply with the national requirements for quality management and production control with third-party verification.

In addition to the ISO 9000 System, Cementir has Internal Quality management.

A comprehensive Quality Policy and Quality management system is in place at the corporate level to ensure that all business units fully comply with external and group rules and procedures.

The Internal Quality Policy is divided into three sections: ‘Organization and Guidelines’, which mainly provides definitions and the framework for the quality system, including the CON-CQ (Consistent Cement Quality) process; ’Rules and Procedures’ mainly provides the rules for setting DoQs (Declaration of Quality) and other targets, testing proficiency requirements, common KPIs for benchmarking product quality performance and the quality system across the group and ’Reports’ which includes a database of all relevant technical reports and studies related to quality and the impact of the production process on quality, so that valuable information is retained and shared across the group. Quality management is developed to ensure a business model oriented towards customer satisfaction and continuously improving company performance.

CON-CQ (CON-sistent Cement Quality) provides a framework for measuring and improving our performance.

The CON-CQ system is organised into three different levels:

1. **Business Unit CON-CQ** establishes procedures and organisation and ensures this is done consistently and maintained over time. It is sponsored by the Managing Director and led by the Technical Director (for multiplant BUs) or Plant Manager/Director (for single-plant BUs) with the participation of quality, production, and sales corporate functions. The meetings are held every four months. It defines the product portfolio and critical services, updates and defines the Declaration of Quality (DoQs), and the quality control programme based on relevant inputs (holding strategy and guidelines, market, competition, plant constraints, raw materials, etc.). It monitors and reviews DoQs compliance and testing proficiency.

2. **Plant CON-CQ**, led by the plant manager and facilitated by the quality manager, is done monthly and ensures proper execution of product portfolio/services (production, quality control, etc.), compliance with DoQs, and a sufficient measurement system. The Plant CON-CQ identifies and addresses gaps/incidents/complaints.

3. **Quality Monthly meeting** led by Corporate Quality function with the participation of Quality and laboratory plant managers to analyse the quality data situation of the plant and results of round robin tests.

Six Sigma and Lean Six Sigma methodologies are also incorporated in most quality systems, sometimes with an 80% Cement plants certified ISO 9000 Quality Management system dedicated Continuous Improvement Department, such as in Türkiye, where there are 14 certified green belts and one black belt, which processed 26 Six-Sigma projects in 2023.

The Group Research and Quality Competence Centre (GRQCC) ensures a common framework for setting targets for process efficiency, cement performance and the Global Warming Potential (GWP) of the finished product placed on the market.

Furthermore, the system is fully integrated with GRQCC's responsibility for research and innovation, a prerequisite for achieving the company's long-term CO2 emission reduction and environmental sustainability roadmap. GRQCC has two green belts, and all projects follow the Six Sigma methodology.

Finally, the central laboratory of GRQCC in Aalborg is EN ISO/IEC 17025 certified. The certification guarantees compliance with international standards, including environmental aspects. A certified laboratory assists with adhering to environmental regulatory requirements; by implementing this certification, the laboratory is committed to improving the quality of its activities and reducing the ecological impact of testing and calibration operations. It can also promote the adoption of sustainable practices in the industry, encouraging partners and clients to follow environmental quality standards.

Ready-mixed concrete

In 2024, Cementir Holding produced and distributed 4.6 million cubic meters of ready-mixed concrete of all types and classes. Ready-mixed concrete is widely used in construction and is made of a mixture of cement and aggregates like sand, gravel, water and any additives. The aggregates serve as bulk, while the cement, reacting chemically with water, serves to bond the other elements. In some cases, admixtures of various kinds are diluted in water and added to obtain specific results or performances, for example greater fluidity or rapid setting.

Ready-mixed concrete is made and pre-packed in plants known as concrete mixing plants where the mixture is dosed in special equipment. The mixing stage may take place directly at the plant (using premixers) or during transport using special vehicles (mixer trucks) that continuously mix the product so that it maintains its fluidity, which is essential for building work. When the ready-mixed concrete reaches the building site, it is ready for use, i.e., the 'pouring' phase. Often, before being 'poured', the ready-mixed concrete is subjected to a special process known as 'pumping'. This consists of a second transport phase through piping, which makes it much easier to reach elevated heights to form floor slabs, tunnels, etc.

Aggregates and cement products

Cementir Holding concrete products at Vianini Pipe Inc. plants in the US produce a total sales volume of 10.1 million These pre-stressed cement products consist of structural components for the building and transport industries, and include pipelines, jack pipes, blocks, tiles, railway sleepers, etc., produced using mechanical and hydraulic technologies with cement as a raw material.

In Belgium, Denmark, Sweden and Türkiye Cementir Holding is also active in the production and distribution of aggregates to third parties. Aggregates are rocky materials such as gravel, sand and stone extracted from quarries and from the banks of rivers which are crushed and then used with hydraulic binders such as cement and lime in order to create concrete, mortar and other types of plaster. In many cases they are also used as structural elements in construction work.

Market differentiation between white and grey cement

High and ultra-high-performance concrete, and glass fibre-reinforced concrete

Responding to the megatrends in construction such as fast-rise, mass-customisation, the circular economy, maximised energy efficiency, minimising on-site operations, maximising performance and durability at reduced material consumption, etc., advanced technologies previously regarded as ‘unnecessary’ are rapidly growing in terms of applications and volumes, providing unique value propositions. These are empowered by the purity and high performance of white cement and bringing solutions to the market with unprecedented performance.

White and coloured mortars

Cement-based plasters and mortars are used for covering facades, swimming pools and in general to reduce painting requirements, and maximising possibilities in terms of surface texture and expression. Because of its high durability, much less maintenance is needed than painted surfaces.

White cement is usually a key ingredient.

Renders, joint fillers and tile adhesives

The complex formulation of these construction materials is usually based on white cement thanks to its high performance.

Exterior facade panels and decorative coating stones

White cement is also used in products such as floor tiles, kerbstones and prefabricated stairs, balconies and windowsills. Additionally, applications such as white briquette and white press brick, concrete grids and pool edges are also areas of use.

Works of art and street furniture

Concrete sculptures, monuments and the restoration of archaeological sites are usually made or carried out using white cement, leveraging its whiteness as well as high performance.

Pre-cast and concrete elements

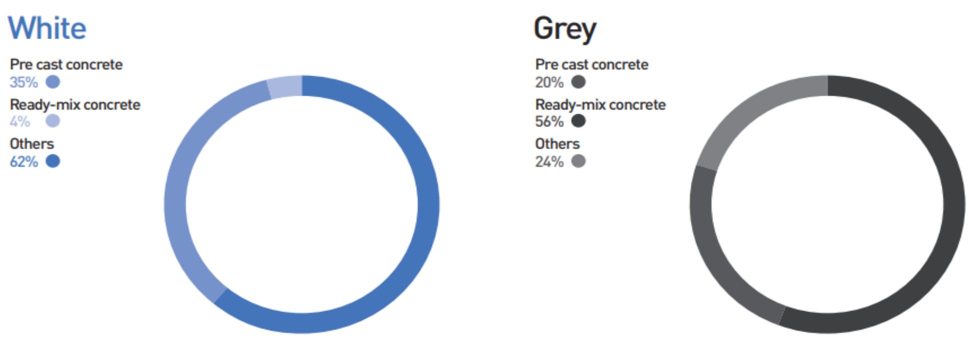
Use of white cement is a more durable alternative than paint in applications where colours are required. Furthermore, white cement, thanks to its high early strength, allows fast production speed in concrete and prefabricated applications, resulting in costs reductions. It has been used in iconic buildings and remarkable public constructions (bridges, railway stations, stadiums, etc.).

Terrazzo and artificial stones

In the production of terrazzo, artificial stones and marble, the external-coloured layer is a fine white cement-based mixture that may have coloured pigments added to it. Bright colours can be achieved only by using white cement and the production of coloured terrazzo would be impossible without it.

Markets

The different applications for white and grey cement are reflected in the estimated market segments for the two products (Fig. 2). The product applications are also different within the segments, for example terrazzo being a major component in the 'brick, blocks and tiles' segment for white cement, whereas concrete pipes and paving stones comprise a large portion of the same segment for grey cement.



Trade

Grey cement is a commodity product, manufactured at many locations close to the market. On the other hand, white cement is a high-value product which is produced at relatively few, dedicated plants located close to the appropriate raw materials. White cement is therefore traded across borders to a much greater extent than grey (Fig. 3).

For further information regarding key geographical areas in which Cementir operates, please refer to the Management Report.

Sustainable products

The Group has taken into account the white cement effects on issues related to the environment and people, in line with the various objectives set forth in the subsequent chapters.

Effect of white cement on global warming and human safety

Light-coloured surfaces reflect much more sunlight than dark-coloured surfaces. Providing more reflective surfaces, such as light-coloured roofs, walls and pavements, therefore results in more energy reflected back into space, resulting in less warming.

Locally, this effect is especially significant in cities which tend to become unbearably hot during the summer. Substituting dark roofs, walls and pavements with white ones significantly reduces this 'heat island effect'.

Furthermore, it is estimated that 40% of the total energy consumed around the world is used in building air conditioning. This energy consumption can be reduced significantly by lighter colouration of the facades and roofs of buildings. This way, more solar energy will be reflected and the temperature inside the buildings will drop, reducing the need for air conditioning. Recent studies have shown that an increase in the albedo (measure of the fraction of reflected incident sunlight) of urban surfaces could save, in the US alone, energy with an economic cost up to $3 billion and reduce the global temperature by 0.01ºC each year (Akbari et al., 2006).

Applying the same methodology as used in Akbari's study to buildings, the energy consumption of a building according to the colour of the facade can be estimated. The result indicates that the CO2 savings from using white concrete walls in constructing an office building with the dimensions 15 x 15 x 20 m would be approximately 27 tons annually (see Annex C). Assuming that 28 tons of white cement is used for the building and that the CO2 emissions associated with this production is 1.2 tons CO2 per ton of white cement, the CO2 savings will be greater than the emissions associated with the cement production in under two years.

Another area where the use of white cement products is beneficial is in tunnels and industrial warehouses, where increased reflection will result in significant energy savings in artificial lighting. White cement plaster, panels or floorings strongly reduce the need for artificial lighting, reducing the need for electricity for this purpose

White cement has an important use in road barriers, sound barriers and other road equipment, where the white colour increases visibility. This is especially significant under wet conditions, where grey concrete road barriers will appear almost black (Fig. 5). Painting grey road barriers white is not a safe option, as the paint will wear off and require frequent repainting (which rarely happens) (Fig. 6).

The described use of Cementir products also express the customer advantage deriving from more ecological, high-quality, and durable products, and the investor advantage in terms of a sustainable and long-term growth strategy.

FUTURECEM®, a limestone calcined clay cement

FUTURECEM® has resulted in more sustainable and performing cement with up 30% lower carbon footprint compared to ordinary Portland cement.

FUTURECEM® is the result of extensive applied research, which has been developed in recent years at the Cementir Group Research and Quality Centre located in Aalborg. It covers the entire value chain: from raw material assessment, manufacturing technology, up to concrete technology.

FUTURECEM® is based on unique synergy between limestone and calcined clay which allows clinker replacement in cement. The material combination in FUTURECEM® has resulted in a more sustainable and performing cement with up to 30% lower carbon footprint compared to ordinary Portland cement. The low carbon benefits of FUTURECEM® are also achieved while preserving strength and quality.

FUTURECEM® is fully recognized as a solution for clinker ratio reduction in the roadmap for Low-Carbon Transition in the Cement Industry by the International Energy Agency – 2018 and as 'low clinker cements' in the Cementing the European Green Deal – 2020, making the Cementir Group the forerunner in lower clinker cements (cembureau.eu).

A milestone in the development of FUTURECEM® was the Danish ‘Green Concrete II’ (Green Transformation of Cement and Concrete Production) project, which concluded in 2019: the entire value chain of construction and building materials, as well as universities and research institutes were actively involved.

Concrete recipes, based on FUTURECEM, were developed and tested in full-scale constructions: infrastructure elements (two bridges) and an indoor floor and wall in the new concrete laboratory at the Danish Technological Institute.

FUTURECEM® is a key contributor to the sustainable transition for the concrete, construction and cement-based industries in general.

Since January 2021, FUTURECEM® has been available on the market in Denmark, placing the Cementir Group at the forefront as the market leader in sustainable and low carbon cement, based on limestone calcined clay.

FUTURECEM® has been primarily focused on the RMC segment. Customers within this segment use the special properties of FUTURECEM® to make concrete more stable against variations in consistency and easier to pump, which is usually a challenge with the rather cement-poor concrete used in Denmark. The positive development in the RMC segment has continued in 2024 in both number of customers using FUTURECEM® and total share of the sales.

Along with RMC, a growing number of Danish concrete precast producers are implementing FUTURECEM® in their production through a complete testing program on site. The main difference perceived is the light-brown colour of the concrete, which is considered as a seal of quality and visible proof for builders to demonstrate the sustainable nature of their building.

In addition to the significantly increasing interest among Aalborg Portland's customers in the concrete and construction industry, FUTURECEM® has also gained greater traction in the retail segment, becoming a top-of-mind choice in several DIY chains for their professional customers demanding a cement with a lower CO2 footprint.

FUTURECEM® has been used in RMC and concrete elements for the ambitious sustainable building UN17 Village in Ørestad, Copenhagen with more than 500 apartments. The project was completed in 2024 and is known as the world's first housing project integrating all 17 UN Global Goals in the same building.

With total of 4,880 m2 of the building, FUTURECEM® was used in RMC for the Bjarke Ingels Group HQ office, which opened in 2023 and awarded the DGNB Gold certificate. The use of Uni-Green (UNI-Versal) – a new type of concrete based on FUTURECEM® from Cementir Group subsidiary, Unicon has resulted in a CO2 reduction of approx. 25%, equivalent to a CO2 footprint of 11.3kg CO2 eq./m2/year.

In CCB, since 2023 FUTURECEM® has been fully commercialized in the reference markets (France and Belgium) thanks to the achievement of the ATG (Agrément Technique) certification which allows the use in concrete according to Belgium standards. The ATG was required as an additional certification being CCB a pioneer of limestone- calcined clay cement in Belgium.

Thanks to this development, CCB has been able to exploit new applications as well as tackling the ready-mixed concrete market in the most relevant exposure classes. The interest in FUTURECEM® is also growing in technical academies (e.g. the University of Mons), with research also taking place in other countries and public authorities (e.g. Genie Civil France). It is also included in the ‘Blocs B40 for low carbon concrete’ research project, led by the CERIB.

In collaboration with customers, FUTURECEM® is now a reference to be further implemented in precast elements: the precast sector is in fact a leading consumer of this type of cement.

Internally in CCB Béton, FUTURECEM® implementation has been continuing.

Other low-carbon cements

Along with FUTURECEM®, the Cementir Group produces blended cement by leveraging on the main Supplementary Cementing Materials (SCMs) such as fly ashes, granulated blast furnace slag and pozzolana in order to offer low carbon solutions to customers as well as to strive towards the CO2 emission reduction target.

In Nordic & Baltic Region, Aalborg Portland has been continuing its strategy to replace CEM I with CEM II/A and CEM II/B and also extending the focus on both concrete products, precast elements and infrastructure. The construction of the Fehmarnbelt tunnel, set to be the world's longest immersed tunnel and the largest infrastructure project in Denmark ramped up in 2024. Aalborg Portland is at the forefront, supplying the project with the low-carbon cement, SOLID, boasting a 20% lower carbon footprint comparing to conventional alternatives.

In 2024, CCB has completed the phasing-out CEM I 52,5R replacing it with CEM II/A-LL 52.5R to provide a lower-emission cement for the precast sector.

Also in 2024, following specific feasibility studies (both market and industrial) CCB launched a brand new II/C-M(S-L), exploring the new cement types introduced by EN 197-5. This cement is available both in bags and in bulks to meet demand from the DIY and ready-mixed concrete sectors. The aim for 2025 is to help customers switching from CEM II/B to II/C-M to further reduce the carbon footprint of their products.

Alongside the full roll-out of II/C-M, other initiatives are underway to further expand the low-carbon cement offering for end-customers.

As regards as Çimentaş, Cementir Group subsidiary in Türkiye, it has been pursuing the transition from CEM I to CEM II/A and CEM II/B in all the regions. Cimentas has strongly integrated its more sustainable products IDEALCEM and MINERALIN into the market. In particular, IDEALCEM exceeded 50% of sales in Trakya plant and 40% in Elazig plant.

Further low carbon products are under evaluation in all the regions with specific projects involving all the value chain.

D-Carb: decarbonisation of Aalborg White®

Addressing white cement challenges in reducing carbon emissions, Cementir is introducing D-Carb, representing a continuous and consistent decarbonisation effort for Aalborg White. As a leader in white cement, Cementir has embraced the challenge of lowering cement's carbon footprint within the constraints linked to colour and performance requirements. Leveraging long-term expertise in research & development and industrial production, a comprehensive investigation was carried out, starting from customer needs, and looking upstream to the entire value chain, encompassing clinker and cement composition, production and raw materials selection.

To provide customers with more than just a product, technical collaborations were established with leading companies in the admixtures sector as well as with loyal customers. Fast-prototyping techniques were deployed, involving extensive experimentation at lab and full-scale trial levels. This approach allowed the transformation of a proven concept into an industrial reality: the D-Carb family.

D-Carb by Cementir Group is a new umbrella brand for low-carbon cements and solutions, supporting industry-wide decarbonisation efforts. The first product of our D-Carb family is a CEM II/A-LL 52.5R, launched in early 2024 and produced in Aalborg Portland plant located in Denmark: available both in bags and bulk strengthening the product range in Europe D-Carb®, exhibits outstanding performances at early ages comparable to CEM I, while having 15% lower carbon emissions verified by a third-party Environmental Product Declaration.

Moreover, it offers improved rheology and whiteness in certain applications. The well-known interaction between Aalborg White® clinker and limestone has been optimized, leveraging in-house expanded expertise in white cement.

This high-quality level enables our customers to consider replacing CEM I in their manufacturing processes after a specific testing program. No incompatibility with admixtures has been experienced during the extensive experimental phase.

Since its launch, customers have been able to test D-Carb® proficiently in their production process, covering all the potential technology segments as well as products.

The Sales Technical team has been supporting this testing with expertise to guide users in adopting D-Carb® product and integrating it into their production processes. Continuous info sharing is established to act promptly.

All the industrial users agree that D-Carb is easy to use in the precast concrete. Transitioning from Aalborg White CEMI to D-Carb has been smooth, as it integrates well with their production process without requiring major formulation changes. Even high performances can be achieved with a specific finetuning.

The Cementir Group will continue its customer-centric approach, with our technical experts are equipped to guide customers in adopting this new product and integrating it into their production processes.

Low-carbon and sustainable concrete

The Cementir Group is also promoting a more eco-sustainable RMC (Ready-mixed concrete) offer, down to the value chain, by leveraging circularity (use of recycled aggregates) and reduced CO2 emission footprint (FUTURECEM® and other blended cements).

Below are some conceptual examples of the Group's commitment to this issue and specifically the experience of some subsidiaries.

UNICON Denmark

In 2024 Unicon Denmark, the Cementir Group’s RMC subsidiary in Denmark, demonstrated a solid performance and steadfast commitment to sustainability by launching the UNI-GREEN PLUS series, setting a pioneering standard for the industry. The series, based on FUTURECEM®, significantly reduces CO_2 emissions by up to 50%, through the integration of FUTURECEM® and additional initiatives. As the demand for low CO_2 products is expected to rise, driven by new building regulations in Denmark focusing on CO_2 reduction, the PLUS series is anticipated to gain increased traction in the market. To further support customers in meeting these new requirements, Unicon Denmark is introducing UNI-Custom, a concrete solution tailored to the unique needs of each construction project. This innovative solution not only helps to fulfil the stricter CO_2 regulations but also sets new standards for low-emission construction with concrete.

To document improvements in the CO_2 footprint, Unicon Denmark has more than 40 third party verified environmental product declarations (EPDs) at product and/or project level. The product EPDs are made public, through lca.no using the same set-up as Unicon Norway. The ambition for Unicon Denmark is to offer the lowest product EPDs on the Danish RMC market.

In 2024, Unicon Denmark significantly advanced its Zero Waste strategy and launched additional initiatives to recycle surplus concrete (leftover concrete from construction sites), reinforcing the strong commitment to achieving zero waste. This intensified focus not only reduces waste but also maximizes resource efficiency, underscoring its unwavering dedication to sustainable practices. In 2025, this will receive even greater focus as a clear strategy is set to achieve zero waste, with particular emphasis on crushing and reusing hardened concrete for aggregates and sand, which is scarce resources in concrete production in Denmark.

As part of the efforts to reduce our CO_2 emissions, UNICON Denmark is committed to lowering the carbon footprint of its fleet. In 2024 the company took the next step towards achieving 100% emissions free delivery of concrete and expanded the fleet of hybrid and fully electric truck mixers, growing one of Europe's largest active fleets of electric truck mixers – with more to come.

The electrification of truck mixers not only reduces emissions but also emphasizes noise reduction, which has received positive feedback from the community due to the quieter operation of our electric vehicles. Additionally, this initiative enhances safety and health on construction sites, benefiting surrounding communities and supporting sustainable urban development.

Looking ahead, Unicon Denmark is committed to achieving further reductions in CO_2 emissions through close collaboration with Cementir Group R&D, internal stakeholders, customers, and suppliers, while actively participating in research and development initiatives.

UNICON Norway

Unicon Norway, Cementir's RMC subsidiary in Norway, emphasizes sustainable solutions in response to Norway's growing market demand for concrete with low Global Warming Potential (GWP), measured in CO2 equivalents, for both building and infrastructure projects. To support CO2 reduction, the company provides all categories of low-carbon concrete outlined in the Norwegian Concrete Association's Publication No. 37. Notably, in 2024, there was an increase in the use of low-carbon ‘class A’ concrete, also extending beyond the Oslo region that has led this development so far.

Environmental Product Declarations (EPDs) form the foundation for GWP calculations. Unicon Norway and Unicon Denmark have adopted a shared tool (lca.no) for creating project-specific EPDs, ensuring consistency and reliability in sustainability reporting.

Unicon Norway’s focus on sustainability has led to several advancements in concrete composition and customer solutions. The introduction of advanced admixtures has reduced cement content per cubic meter of concrete, lowering CO2 emissions. Reclaimed aggregates from returned concrete are now utilized, reducing waste and conserving natural resources. This initiative has commenced at one of the major plants. To assist customers in tracking their CO2 purchases, Unicon now includes detailed CO2 data on invoices.

Throughout 2024, Unicon Norway diligently worked to meet the new pollution regulations for RMC production in Norway. These regulations focus on emissions control for water and noise, proper handling of concrete waste, and comprehensive reporting to authorities.

Unicon Norway’s concrete distribution operations prioritized sustainability by transitioning to cleaner fuels and technologies. Eighteen vehicles consistently used HVO100, a renewable diesel fuel derived from sustainable sources, replacing conventional diesel. Five vehicles were equipped with battery-powered drums, reducing fuel consumption by up to 30% as the drums operate electrically on construction sites. Eight fully electric concrete trucks were successfully deployed in the Oslo area. In Oslo, Bergen, and Trondheim, electric pumping solutions were employed as needed, enabling zero-emission concrete placement when connected to on-site power sources.

By aligning operations with sustainability goals and embracing innovative practices, Unicon Norway continues to lead the way in reducing the environmental impact of concrete.

CCB Beton France and CCB Beton Belgium

2024 saw the installation of photovoltaic panels at a sixth concrete batching plant. After Brussels, Ghislenghien, Noyelles, Mont-Saint-Guibert and Fouquières, Baudour now has a 34kWp installation, bringing the total to 548kWp.

By 2025, this installed capacity will enable to produce 460 MWh, with self-consumption accounting for 50%, or 230 MWh. CCB Beton can expect to reduce CO2 emissions by 24 T eqCO2, a 10% reduction in emissions linked to electricity consumption.

The plants of Ghislenghien and Noyelles increased the water retention capacity in order to decrease the consumption of clean water (surface, ground, city water) in its production and to improve the reuse of water to the cleaning of the trucks and installations. These developments have enabled CCB Beton, to renew the Ghislenghien environmental permit for a period of 20 years and to officially obtain 'zero discharge' status for the Noyelles site. Those improvements allowed to CCB Beton (France & Belgium) to be fully "zero discharge" on all its sites.

CCB Beton managed in 2024 the renewal of the Cradle to Cradle Certified® Certificate for the full scope. The new certificate will be issued early 2025 for a new period of 2 years.

Following the sustainable strategy of Cementir expecting to certify all the RMC plants of the group up to 2027, CCB beton will make a step forward in 2025 to the environmental management standards with the ambition to certify 2 additional plants (like Brussels) in the ISO 14 001 in order to strengthen performance in terms of sustainability and go on preventing/ reducing environmental impact.

The 'Upcycling Project' has been led within CCB year-round. Focus on product circularity and measurable goals to guide all aspects of circular product development has been conducted in 2024 including the reuse in the cement process. Permit to operate is now subject to approval before full scale production.

ÇİMBETON

Targeting carbon emission reduction, the use of CEM II type low-clinker blended cement continued in RMC plants in the Aegean region in 2024. Additionally, low-carbon-emission CEM II type cement has started to be used in the RMC productions in the Eastern Anatolia and Marmara Regions.

"MİNERALİN" (CEM IV/B) has been increasingly used all over the regions representing 15% of the total cement consumption in 2024, improving from 11% in 2023 and with a peak of 23% in Aegean Region.

Environmental Product Declaration (EPD)

Taking a step back, EPD plays an important role in deepening Cementir's commitment to low-carbon and sustainable concrete.

An Environmental Product Declaration (EPD) is a document which transparently communicates the environmental performance or impact of any product or material over its lifetime. Some cement plants and some RMC plants have this specific acknowledgement.

Specifically, Aalborg Portland Denmark's products are fully covered with EPDs, while CCB has obtained them for its main products since 2023. In addition, Cementir's European product offer for white cement, consisting of two cements from Aalborg and two cements from Sinai, is fully covered with EPDs.

Regarding Ready-Mixed Concrete, EPDs are available in Denmark.

Description of business model(s) and value chain

The definition of material issues

According to the ESRS, to be compliant, an organization must determine its relevant sustainability topics.

The ESRS Standards defined four steps that an organization should follow to determine its relevant topics:

1. Understanding the context and defining the stakeholder engagement strategy.
2. Identifying the list of potential sustainability issues and impacts, risks, and opportunities (IROs).
3. Determining the final list of relevant sustainability topics through the Double Materiality Assessment (DMA).
4. Reporting the evaluation process.

Understanding the context

Cementir Group operates in the building materials sector and focused on four main business lines: grey cement, white cement, ready-mixed concrete and aggregates. With over 3,000 employees, Cementir is the global leader in the white cement niche segment, the leading producer of cement in Denmark and of ready-mixed concrete in the Scandinavian area, the third largest producer in Belgium and among the main international players in Türkiye, with two listed companies on the Istanbul Stock Exchange. In Belgium, the Group operates one of the largest aggregate quarries in Europe, while in Türkiye is active in the processing of industrial waste, used to produce waste-derived fuel for cement plants.

Cementir pursues a sustainable growth strategy, focusing on product leadership, the pursuit of excellence and the efficiency of operating processes. In the last two years the Group has achieved important ESG recognitions, including the validation of its 2030 decarbonization objectives by the Science Based Target initiative (SBTi) and an A rating by CDP on climate change and A- on water security. The Group also holds an investment grade BBB financial rating with stable outlook from Standard & Poor's. Since 1992 Cementir has been part of the Caltagirone Group, one of the leading business groups in Italy with activities ranging from real estate to construction, from publishing to finance.

Value Chain Overview

The analysis conducted by the Group included the extent to which the sustainability disclosure contains upstream and/or downstream value chain information. Cementir has identified the key actors in its value chains and described their main features.

Upstream

Cementir is sourcing goods and services to support its daily operations across the world. Main categories of expenditures are direct materials, energy, logistics and transportation and technical services. Raw materials can be sourced from:

- its own quarries by means of external contractor's services or;
- third party suppliers who are delivering on site.

Main transport categories are seaborne to large ports and trucks to deliver to customers. Cementir works globally with several contractors which are performing technical services as mechanical and electrical maintenance, industrial cleaning and various operations support.

Own Operations

Cementir Holding is a multinational Group delivering innovative building solutions worldwide. As global leaders in white cement, it boasts a diversified business portfolio of cement, aggregates, concrete and value-added products

Its operations are structured on a regional basis in seven geographical regions: Nordic & Baltic, Belgium, North America, Türkiye, Egypt, Asia Pacific and Italy/Holding & Services. Precisely, operations are composed by three vertically integrated platforms operating in aggregates, cement and concrete production and distribution in three countries: Denmark, Belgium and Türkiye.

In Denmark, the Group is leader in both grey and white cement as well as concrete; in Sweden and Norway it is the leader in the concrete sector, while in Türkiye it is one of the largest international players, also operating in the industrial waste sector.

In North America, Egypt and Asia Pacific, the Company's presence is focused solely on white cement, as the largest player globally and the only one with industrial presence in five continents.

Downstream

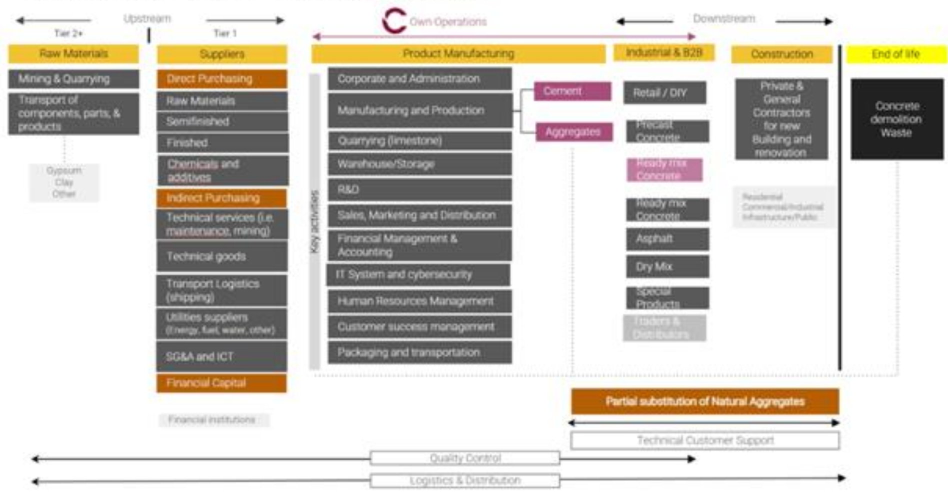
Cementir Holding N.V. offers a wide range of products, solutions and services. The products offered and distributed are cement (grey – white), aggregates and concrete.

Primary customers within the value chain are in the industrial and B2B sectors (1st end users), as well as the construction sector (2nd end users - including private and general contractors for new construction and renovation in residential, commercial/industrial and infrastructure/public works sectors).

Cement sales on the retail channel ("do it yourself") are residual.

Cement and aggregates are also sold through traders and distributors. In addition, the Group provides assistance and technical support services to customers, logistics and distribution where required through its own companies or third parties. Cement represents the core business in terms of turnover and profitability.

Illustrative Value Chain Cementir



In the following table the undertaking provides a breakdown of total revenue derived from its financial statements, by ESRS sectors relevant for Cementir. Since it has been obliged to segment reporting, the undertaking furthermore reconciles this information, as far as possible, with the respective IFRS 8 information.

Operating segment (IFRS 8)	2024 (Euro '000)	Nordic & Baltic	Belgium	North America	Türkiye	Egypt	Asia Pacific	Holding and Services	Unallocated items and adjustments**	CEMENTIR HOLDING GROUP
C.23.51 Manufacture of cement / E.38.22 Energy recovery	Cement	430,282	174,951	162,18	267,794	46,264	104,406	-	-54,04	1,131,837
C.23.63 Manufacture of ready-mixed concrete	Ready-mixed concrete	292,756	94,693	-	129,722	-	-	-	-	517,171
B.08.11 Extraction of ornamental and building stones, limestone, gypsum, chalk and slate	Aggregates	23,255	65,677	-	12,642	-	3,225	-	1,42	106,219
E.38.33 Other waste disposal	Waste	-	-	-	6,097	-	-	-	-	6,097
-	Other	-	-	19,103	23,867	-	-	148,596	-24,233	167,333
-	*Unallocated items and adjustments***	-51,158	-7	1,42	-48,949	-	-3,094	-	-139,926	-241,714
Total revenue - ESRS Sector	**Revenue**	**695,135**	**335,314**	**182,703**	**391,173**	**46,264**	**104,537**	**148,596**	**-216,779**	**1,686,943**

These sectors include areas in which Cementir develops intercompany revenues, significant activities or in which we are or may be connected to material impacts. The Group considered these sectors when performing the materiality assessment and will disclose material sector-specific information consistent with the identification of the additional ESRS sectors.

Stakeholder interest and engagement

The Group's stakeholders

Considering the breadth and the international presence of the Group, there are many different stakeholder categories with varying needs with whom the company interacts on a daily basis. Every category of stakeholder has their own method and frequency of listening and involvement, based on the subject, topic, interest and characteristics of the Group's various regions.

Cementir Holding works to build a strong and long-lasting relationship with all of them, as is aware that cooperation is an important and powerful value that enables the Group to better achieve its results, long-term sustainability and improve its positive impact on people and society. To do so, communication and listening to stakeholders are increasingly important and play a crucial role. The Group, recognizing that each stakeholder has unique needs, interests and expectations of the organization, is therefore strongly committed to engaging with them as much as possible.

Recognizing this and in accordance with the Dutch Corporate Governance Code, in 2023, the Group issued the Stakeholder Engagement Policy. Its purpose is to establish guidelines for engaging stakeholders in company's operations and it applies to all operational activities of the Cementir Group (the Group's administrative, management, and supervisory bodies are informed about the views and interests of affected stakeholders concerning the sustainability-related impacts. For further information see the 'Role of the Bord of Directors in overseeing the management of Cementir's impacts' section). Relations with shareholders and financial analysts are handled with a high degree of accuracy and in compliance with the policy, the Code and applicable regulations. The constant and constructive dialogue with the stakeholders involved is fundamental to the proper functioning of the company's business model, which aims to create economic, social and environmental value for all. With the implementation of a wide range of actions, Cementir is in a position to anticipate stakeholders' needs and priorities, knowing that Cementir's actions will have a direct impact on the ecosystem it is a part of, and that they take into account the environment, the economy and society as inseparable parts of the same whole.

While recognising this individuality, the Company is committed to identifying and analysing priorities and expectations for each stakeholder category defined in the previous phase and adapting engagement strategies and actions accordingly. This analysis process allows for the adoption of targeted, customised and proactive engagement plans to foster effective communication, accurate information sharing and constructive collaboration with relevant stakeholders.

Based on the working and non-working relationships that the Group, each region and each individual business unit has externally and internally as well as directly and indirectly the Group proceeded with the identification of its stakeholders. The identified and listed stakeholders are those that the company interfaces and has a stable relationship with (Holding level or regional level).

Stakeholder engagement is also a critical component of Cementir's materiality assessment (DMA) process. Indeed, stakeholder views were considered when evaluating the ESRS gross list of topics, ensuring that their interests were incorporated into the determination of material topics. The stakeholder engagement process has focused on gathering information regarding the interests, views, and rights of individuals within the company own workforce (S1), value chain workers (S2), affected communities (S3), and consumers and end-users (S4). It also included insights from other key stakeholders, such as investors and environmental experts. Both positive and negative issues have been raised, some of which have been identified as material by Cementir.

The Company 'sustainable development strategies pursue various objectives, including constant improvement of the environmental and occupational health and safety conditions affected by its own activities, and the compliance with international standards, such as:

- The United Nations International Charter (UN):

- The Universal Declaration of Human Rights

- The International Covenant on Civil and Political Rights

- The International Covenant on Economic, Social and Cultural Rights

• The fundamental conventions of the International Labour Organization (ILO) - n. 29, 87, 98, 100, 105, 111, 138, 182 - and the Declaration on Fundamental Principles and Rights at Work

• The UN Convention on the Rights of the Child

• The ILO Conventions n.107 and n.169 on the Rights of Indigenous and Tribal Peoples

• The European Convention on Human Rights.

The table below lists the Group's main stakeholders, the subjects of interest identified for each of them and the tool used for enhancing their engagement. For this last phase, direct conversation with the individual business unit enabled Cementir to identify all the tools and channels used to ensure the highest level of stakeholder involvement.

Type of stakeholder	Subject of interest	Engagement tool	For further details
Personnel	·Cybersecurity and data protection · Diversity, Equity and Inclusion · Health and Safety · Human rights · Industrial relations · Innovation · People management and development	· Group Annual Convention · Intranet · Mail · Official reports · Social networks · Survey · Training	Governance information Social information
Institutions and Authorities (local and national)	· Climate change and GHG emissions · Competitive behaviour and business ethics · Energy management · Health and Safety · Human rights · Industrial relations · Innovation · Other air emissions (different from GHG emissions) · Regulation · Waste and Hazardous Materials Management	· Exhibitions · Official reports · Participation in Global and Business Associations · Press releases · Public conferences	Governance information Environmental information Social information
Shareholders	· Climate change and GHG emissions · Business performance and consolidation · Competitive behaviour and business ethics · Regulation · Health and Safety · Human rights	· Direct contact · Official reports · Press releases · Shareholder's meetings	Governance information
Trade Unions	· Human rights · Industrial relations	· Dedicated meetings · European Worker Council · Networking · Official reports · Working group	Governance information Social information
Local communities and local committees	· Circular economy · Climate change and GHG emissions · Community engagement · Human rights · Other air emissions (different from GHG emissions) · Waste and Hazardous Materials Management · Water management	· Dedicated meetings · Direct contact · Official reports	Environment information Social information
Customers	· Climate change and GHG emissions · Competitive behaviour and business ethics · Customer management · Innovation	· Blog · Exhibitions · Official reports · Sales departments · Social networks · Survey · Training · Website	Environment information Social information

Suppliers and contractors	· Circular economy · Health and safety · Reliable and Sustainable value chain	· CDP Supply Chain · Exhibitions · Official reports · Training	Environment information
Environmentalist Associations	· Biodiversity · Circular economy · Climate change and GHG emissions · Energy management · Innovation · Other air emissions (different from GHG emissions) · Waste and Hazardous Materials Management · Water management	· Official reports · Social networks · Website	Social information
Financiers	· Business performance and consolidation · Competitive behaviour and business ethics · Regulation · Transparency and accountability	· Direct contact · ESG ratings · Investor's presentation · Official reports · Press releases	ESG ratings Governance information

The table below presents the main policies applied by Cementir. It has to be noted that for all of them, the most senior levels accountable for their implementation are Cementir's CEO and COO.

Policy	Sub-topic	Stakeholder	Accessibility	ESRS Topic Code
Group **Environmental policy**	• Climate Change adaptation • Climate Change mitigation • Energy • Pollution of air • Pollution of water • Pollution of soil • Pollution of living organisms and food resources • Water • Direct impact drivers of biodiversity loss • Impacts on the extent and condition of ecosystems • Resources inflows, including resource use • Resource outflows related to products and services • Waste	• Employees • Affected communities	Company website	E1 E2 E3 E4 E5
Group water policy	• Water	• Employees • Affected communities	Internal document	E3

Group employees' diversity, equity & inclusion policy	• Equal treatment and opportunities for all	• Employees	Company website	S1
Group human rights policy	• Working conditions • Other work-related rights	• Employee • Affected communities • Consumers • Suppliers	Company website	S1 S2
Group whistleblowing management procedure	• Working conditions • Equal treatment and opportunities for all • Other work-related rights • Communities' economic, social and cultural rights • Information-related impacts for consumers and/or end-users • Protection of whistleblowers • Corruption and bribery	• Employee • Consultants • Consumers • Partner • Collaborator • External auditors • Institutions • Public authority	Public channel	S1 S2 S3 S4 G1
Stakeholder engagement policy	• Climate Change • Pollution • Water and marine resources • Biodiversity and ecosystem • Resource use and circular economy • Own workforce • Workforce in the value chain • Affected communities • Consumer and end-users • Business Conduct	• Employees • Customers • Business partners • Suppliers • Affected communities • Interest groups, media, political and academic leaders • Industry associations • NGOs • Investors • Other stakeholder groups	Company website	E1 E2 E3 E4 E5 S1 S2 S3 S4 G1
Occupational Health & Safety	• Own workforce • Workforce in the value chain • Affected communities	• Administrators • Employees at any level and third parties working on behalf of the Cementir Group (e.g. contractors, suppliers, consultants)	Company website	S1 S2 S3
Code of ethics	• Own workforce • Workforce in the value chain • Affected communities • Consumer and end-users • Business Conduct	• Employees • Customers • Business partners • Suppliers • Affected communities	Company website	S1 S2 S3 S4 G1

Supplier code of conducts	• Workers in the value chain	• Suppliers	Company website	S2
Cybersecurity incident response plan	• Own workforce • Workforce in the value chain • Consumer and end-users	• Employees • Customers • Business partners • Suppliers	Internal document	S1 S2 S4

Governance and business practices

The role of the administrative, management and supervisory bodies

The **Corporate Governance** system adopted by the Cementir Group is in line with the principles and best practice provisions set out in the current version of the Dutch Corporate Governance Code (hereinafter the 'Corporate Governance Code'), applied by the Company (for further details about the Corporate Governance of Cementir, refer to section "Corporate Governance" of the Management Report).

Cementir governance model is based on a one-tier Board of Directors and the relationships between its members are governed by codes, principles, rules and procedures adopted to regulate the performance of the activities of all organizational and operational structures.

Cementir Holding's bodies are briefly described below. For further information, please refer to the Financial Statement section, "Risk management framework" paragraph.

The Board of Directors, composed of eight members (7 out of 8 are non-executive members), is the apical body entrusted with the management of the company in the interests of the shareholders and guarantees the transparency of the decision-making process of corporate resolutions. It has the broadest powers of ordinary and extraordinary administration, except those reserved exclusively for the Shareholders' Meeting by the law and by the Articles of Association.

The Audit Committee is currently composed of three non-executive directors, all of them independent. It prepares the decision-making process of the Board of Directors regarding the supervision of the integrity and quality of the Company's Management Reporting and the effectiveness of the Company's internal risk management and control systems.

The Sustainability Committee is currently composed of four directors, three of whom are non-executive and independent. It prepares the decision-making process of the Board of Directors in formulating and implementing a strategy in line with a view on long-term value creation by Cementir Holding N.V. and its subsidiaries, regarding the development and promotion of a healthy, safe and secure environment for the Company's stakeholders as well as the sustainable development and social responsibility and prepares any related decision-making at the Board level.

The main task of the Sustainability Committee is to develop a Group Sustainability Strategy.

The Remuneration and Nomination Committee is currently composed of three non-executive directors, all of them independent. It prepares the Board's decision-making (including, if applicable, proposals of the Board for the General Meeting).

In addition, the Board of Directors has established an Ethics Committee in order to monitor compliance with the Code of Ethics and the applicable regulations.

Please, visit Cementir website (link) for specific individual board member skills that are relevant to the industry sectors, its products and the geographical location of business activities.

The Board of Directors comprises eight members: one is executive, seven are non-executive. Three of the non-executive directors are considered independent, while the remaining five are affiliated with a shareholder holding ten percent or more of the company's shares. Therefore, the percentage of independent non-executive directors on the Board is 37.5%.

It's important to note that the concept of separate administrative, management, and supervisory bodies does not apply to Cementir Holding N.V. due to its one-tier governance structure.

The Board of Directors was appointed on 20 April 2023 and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the year that will end on December 31, 2025. Detailed information are available on Cementir website (link)

The Board of Directors is composed by 4 female board members out of a total of 8 ones elected by the Shareholders' Meeting, defining a 50 % female representation, with an equal gender distribution: four women and four men. This composition aligns with the company's Board Diversity Policy, which aims for a balanced representation of genders among its directors.

Cementir Holding N.V. has established a Board Diversity Policy (link) aiming for gender balance within its Board of Directors. The policy targets a composition where at least one-third of the Board members are women and at least one-third are men, in compliance with applicable laws.

Cementir Holding N.V. operates under a one-tier governance system, where the Board of Directors functions as both the management and supervisory body. This structure combines executive and non-executive directors, eliminating the need for a separate supervisory board.

Given this structure, the concept of a supervisory body with a distinct gender composition does not apply to Cementir Holding N.V.

Diversity Policy

The Company’s Board of Directors adopted the Diversity Policy (link) on 13 November 2019, effective from 1st of January 2022 and reviewed on 9 March 2022, following the transfer of the Company’s registered office to the Netherlands.

The Cementir Board Diversity Policy sets out the rules regarding diversity in the composition of the Board of Directors. Following the entry into force on 1 January 2022 of the amendments to the Dutch Civil Code regarding gender diversity (“Diversity Act”), the Board acknowledged the provisions of this legislation and, on the basis of the proposal submitted by the Remuneration and Nomination Committee, updated the Diversity Policy in accordance with the diversity targets relating to the Company’s Board.

In particular, Article 2:142b of the Dutch Civil Code requires that companies listed in the Netherlands respect a diversity quota of at least one third men and one third women among non-executive directors. The legislation also states that it is not allowed to appoint directors who do not contribute to achieving this balance, otherwise such appointment will be null and void. As Cementir Holding is a large Dutch company listed in Italy as defined in Article 2:166 of the Dutch Civil Code, it is obliged to set appropriate and ambitious targets to create a more balanced ratio between women and men for executive and non-executive directors, determined for the Board as a whole, as well as for certain management positions, and to report annually on the achievement of these objectives, providing explanations in the event of deviations from these objectives according to a 'comply or explain' logic.

The Board of Directors acknowledges the importance of diversity among all individuals who are working for the Company. The diversified composition of the Board of Directors itself is a guarantee of a balanced decision-making process, also achieved through the proper functioning of the respective committees. The purpose of the Diversity Policy adopted by the Company is to lay down the diversity aspects and targets within the Company and to ensure its proper implementation and application.

The objectives established in accordance with current Dutch legislation on diversity within the Board of Directors are aimed at ensuring a balance between the genders represented.

The provisions of the Code are also reflected in the Board's Profile.

The Profile of the Board contains the requirements that the Board, on a proposal from the Remuneration and Nomination Committee, takes into account when preparing the proposal to appoint one or more directors to be submitted to the General Meeting.

In particular, the description needs to explain the experience and the background of the Directors, showing also the composition and the dimension of the Board and with specific reference to Non-Executive Directors and their independence.

In 2023, with the expiration of the term of actual Directors, during the General Meeting, that took place on the 20th of April 2023, the Remuneration and Nomination Committee reviewed and updated the Profile of the Board under the applicable rules of the Code in force that goes beyond the legal obligations of the Diversity submitting these latest to the Board for approval.

The updated Board Profile has been considered during the preparation of the proposal for the assignment of Executive and Non-Executive Directors presented during the General Meeting of 2023. In particular, it has to be noted that the profile has been completed with additional requirements specific to the Company such as knowledge of a well-established and long-standing of industrial production at general level and in particular of the cement and/or building trade.

The Profile has been strengthened with the experience of sustainability, as it is a topic of great interest to the Company and on which it is investing considerable resources and commitment. To the diversity criteria listed, the personal qualities expected of the members of the Board of Directors and an express reference to the specific diversity and inclusion requirements relevant to the company have been added in the Diversity Policy. The recommendation of provision 2.1.2 on best practices to refer to gender identity if requested by the Director has also been implemented.

It has to be highlighted that the structure must ensure a level of diversity that is suitable and tailored for the Company. For this reason, it has to be known that the percentage of one third of each gender as foreseen in the current Diversity Policy of Cementir Holding’s Board of Directors has been largely achieved and exceeded and thus thanks to the appointment by the General Assembly of 20 April 2023 which foresaw a Board of Directors comprised of 8 Directors in absolute gender parity.

During 2024, the Board achieved the long-term targets set for the year 2023 that consisted in maintaining four Directors of the less represented gender, up to a total of nine members on a Board of Directors and thus till the deadline of the Board which has been set with the approval of the financial statements for the year 2025. Moreover, it has to be noted that in the same time period, in addition to the gender diversity target, the Board also has been able to reach the goal set for the equity and inclusion declaring that these latest wants to include in its composition:

- 3 Directors in which 1 crossbencher is younger than the CEO;
- 1 Director with specific experience in ESG issues having particular experience on social aspects.

It has to be noted that the targets mentioned above have been confirmed by the Board of Directors for the next two financial years.

The composition of the Board of Directors complies also with the diversity criteria and thus in terms of age, level of education and experience as set out in the Diversity Policy. In particular, the Directors appointed by the Annual General Meeting of 20th of April 2023 strengthened the achievement of the diversity targets in the composition of the Board considered relevant for the Company such as: competencies, education, background, gender, personal qualities also including an international approach as per citizenship.

The Diversity Policy in force and its related correct implementation are regularly monitored by the Company. It has to be noted that, if necessary, the Policy can be modified and reviewed in compliance with the Group's policy rules for updating company procedures. The Diversity Policy and the Board Profile are both available on the Company's website in accordance with best practice 2.1.5 of the Code.

Board members have different educational backgrounds within finance, economics, law, and professional experience from different industries. The skills and experience within the Board and Committees were verified and deemed adequate to supervise sustainability issues and were further deepened and extended following the specific training received with numerous induction sessions. These skills and experiences in relation to the material impacts, risks and opportunities of the Company and the Group were also evaluated during the meetings of these bodies as significant experience in relation to the business sector, products and geographical location of Cementir Holding N.V., and as specific expertise in business conduct matters.

The Board of Directors currently possesses the necessary sustainability expertise and is fully capable of aligning the overall strategy with sustainability objectives. The evaluation also found that each member of the Executive Management team has expertise and in-depth knowledge in various areas of sustainability directly related to our material IROs.

There is no representation of the employees and other workers in the administrative, management and supervisory bodies.

Role of the board of directors in overseeing the management of Cementir's impacts

The responsibility for overseeing IROs is integrated within the Board Committees, especially the Audit Committee. Business conduct policies, including our Code of Conduct, are reviewed and approved regularly by the Board of Directors. This includes considering relevant sustainability standards and regulatory obligations.

Disclosures related to environmental issues, social aspects across the value chain, and broader sustainability topics are managed by Group Finance too.

Group Legal provides guidance on ensuring legal compliance for sustainability-related disclosures, addressing both reporting aspects and adherence to relevant sustainability standards and legal requirements. Additionally, governance-related disclosures are overseen by Group Legal, which provides details on governance structures, policies, and procedures to Group Finance.

Group Finance plays the leading role in identifying, managing, and communicating our IROs. They ensure both financial and non-financial compliance by establishing effective controls and procedures for sustainability data collection, which is integrated with our Management Reporting systems and guidelines. They also ensure legal compliance in all sustainability matters from a reporting perspective.
Social disclosures regarding our workforce are managed by **Group HR**, which reports employee-related data and social initiatives to Group Finance for DMA and reporting purposes.
The responsibility for the research and development of **IT services**, products, platforms, and projects lies with individual business units. These units receive support from **Group Finance** regarding the sustainability aspects of managing business relationships and incorporating user and consumer impact considerations into design and development. They also collaborate with Group Legal to ensure compliance with applicable sustainability laws and guidelines for IT services, products, and platforms, and Group HR informs them of any workforce-related social aspects that are relevant to the specific project.

The Group CFO is the **Executive Management** member responsible for the disclosure and reporting of both financial and non-financial matters. Executive Management engages in meetings with the Board of Directors, using their expertise and insights, supported by administration and business operations, to guide the Board in making well-informed decisions on sustainability issues. Ultimately, the Board of Directors makes the final decisions on IROs.

The Board of Directors, with the Audit Committee's involvement, uses processes, controls, and Double Materiality Assessment results to guide target-setting related to our significant IROs when applicable. Once targets are established, they are tracked with appropriate qualitative and quantitative indicators. At present, no Group-level targets have been set. The focus has been on creating a solid data foundation and efficient control environments. Strategic targets to accelerate business strategy and sustainability performance are under consideration.

The Nomination Committee assists the Board of Directors by nominating candidates and ensuring that the necessary strategic, industry-specific, sustainability, and other relevant skills and expertise are present within both the Board of Directors and Executive Management. The Committee ensures that candidates meet the expectations of the capital markets and that the competencies of the Board align with good corporate governance practices for listed companies.

Cementir’s long-term sustainability strategy has been developed through a bottom-up approach over recent years.

The functions concerned within the local structures, under the coordination of the Group’s top management, have translated individual concepts and notions into a unique and coherent way of thinking, defining the Group’s internal culture and identity, setting precise expectations, objectives and commitments, along the lines provided for by the regulatory framework. Once consolidated, this core framework was then formally reviewed, approved and validated by the Sustainability Committee set up within the group at the level of the Board of the Danish subsidiary and, finally, transferred to the relevant entities for implementation through structured programmes and specific actions with fixed deadlines. Its assumptions and implications, from basic to more extensive, are summarised in the Group Industrial Plan, approved by the Company’s Board of Directors, the Sustainability Statement, again approved by the Company’s Board of Directors and the Group Consolidated Financial Statements, approved by the General Meeting.

The strategy drawn up by the Chief Executive Officer and submitted to the Board in its entirety for approval in the context of the approval of the Industrial Plan, was inspired by the aim of long-term value creation by the Company and the other companies in the group, with particular reference to the “Sustainability Roadmap”.

Sustainability is clearly one of the main objectives that the Group has set itself and which, by its very nature, implies a process to be carried out in the medium-long term in the interest and for the benefit of the Company, Group, shareholders and stakeholders. The Board of Directors is an active promoter of behaviour consistent with the Group’s values, not only with the approval of the pluriannual Industrial Plan which incorporates them but also having given the Sustainability Roadmap high priority in recent years.

Based on the analysis carried out, the Group has set 26 Sustainability Goals to be achieved by 2030, which cover the priority areas for Cementir. The objectives are linked to Cementir’s effort to adopt all necessary measures and the most innovative technology to minimise the impact of the Cementir’s Group activity on the environment; creating a healthy, safe and inclusive work environment; respecting human rights and building a constructive and transparent relationship with local communities and business partners. These objectives, set by individual plant and by year, are included in the Business Plan and the short-term incentive system for employees. Cementir also pursues the creation of long-term value through a Long-Term Incentive Plan for its top management.

The Board during its regular meetings, at least quarterly, among other issues receives updates on the strategy targets, discusses and approves the quarterly Management Reports and monitors the risk management examining and approving the Enterprise Risk Assessment. Refer to the “Main risks to which the group is exposed” section for further information about impacts, risks and opportunities.

Relations with shareholders and financial analysts are handled with a high degree of accuracy and in compliance with the policy, the Code and applicable regulations.

After each Board of Directors' meeting approving periodic financial results, the Company organizes conference calls to present these results to the financial community and informs the stakeholders by issuing a press release.

A special section on the Company website has been dedicated to investor relations where presentations of financial results and press releases are published in accordance with the Best Practice provisions of the Code.

The Annual General Meeting is the natural event where Company's shareholders can meet the Board of Directors and ask questions, participating to the Company's decisions with their vote. The Board shall provide to the General Meeting any information it requests unless this would be contrary to an overriding interest of the Company. The Annual General Meeting is held every year not later than six months after the end of the financial year of the Company. The purpose of the Annual General Meeting is to discuss, inter alia, the annual report, the adoption of the annual accounts, allocation of profits (including the proposal to distribute dividends), release of members of the Board of Directors from liability for their management and supervision, and other proposals brought up for discussion.

Further examples of interaction with other stakeholders, such as customers, suppliers, staff, the local community, public institutions and trade associations, are described in paragraph 'Group's Stakeholders' of this Sustainability Statement.

The Chief Executive Officer has appointed the Chief Operating Officer, through and together with the employees of the organisation directed by the same, to pursue the achievement of the targets of the Industrial Plan and manage the related impacts on the economy, environment and people.

The Chief Operating Officer reports regularly to the Chief Executive Officer and at least quarterly to the Board during the meetings where both the Chief Operating Officer and the Chief Financial Officer are in attendance.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Sustainability Committee prepares the decision-making process of the Board of Directors in formulating and implementing a strategy in line with a view on long-term value creation by Cementir Holding N.V. and its subsidiaries, regarding the development and promotion of a healthy, safe and secure environment for the Company's stakeholders as well as the sustainable development and social responsibility and prepares any related decision-making at the Board level.

The main task of the Sustainability Committee is to develop a Group Sustainability Strategy.

The Sustainability Committee is currently composed of four directors, three of whom are non-executive and independent. Please visit the Cementir website for additional details (link).

Throughout the reporting period, the Sustainability Committee has addressed the material impacts, risks, and opportunities reported in the "Double Materiality outcome" section.

The administrative bodies are informed about the implementation of due diligence on quarterly basis. They are also informed about the results and effectiveness of policies, actions, metrics and targets adopted to address material impacts, risks and opportunities, by Internal Control and Risk Management System. This system ensures that major risks are identified, assessed, managed, and monitored, considering the individual operations, risk profiles, and risk management systems of each business unit. The process follows a top-down and risk-based approach, starting from the definition of Cementir's Industrial Plan. Risks are assessed using both quantitative and qualitative tools, evaluating the probability of occurrence and potential impacts over a specified time horizon. The outcomes of these assessments are communicated to the Group's top management, including the Group CEO and COO, on a quarterly basis, and to the Corporate Bodies, such as the Audit Committee and Board of Directors, annually.

Additionally, external sustainability performance assessments and annual sustainability reports, ensure that its administrative bodies are well-informed about the company's performance in managing material impacts, risks, and opportunities.

The ERM is shared once a year with the Audit Committee. During this meeting the actions taken to mitigate any risks and impacts during the year are shared as well as the identified opportunities. Furthermore, if specific risks or emergencies were to emerge during the year, dedicated meetings would be organized to discuss them and make targeted decisions by implementing planning actions which would then be monitored by the Internal Audit through the management system. With reference to Audit and Sustainability Committees, meetings are organized quarterly with the aim of providing updates on existing activities and any news on new identifiable impacts, risks and/or opportunities.

Integration of sustainability-related performance in incentive schemes

Cementir adopts a competitive remuneration system which guarantees a balance between corporate strategic objectives and recognition of the merits of Group employees. By using variable short and medium/long term remuneration components, the Policy is designed to align staff interests with the pursuit of the priority objective - value creation - and the achievement of financial and sustainability objectives.

This objective is also pursued by linking a significant portion of remuneration to the achievement of defined performance targets, by means of both the short-term incentive scheme (STI) and the long-term incentive scheme (LTI).

In 2024, within the STI Program, which is fully integrated in the Performance management process, the Group continued to enhance the ESG objectives at all levels of the organization. The ESG objectives are included in the STI Program of all executives and middle management of the Group. Particular attention was directed to the issues of CO_2 emissions reduction, Green Capex and Occupational H&S. Nevertheless, there are also objectives related to biodiversity, ISO certification, circularity, clinker factor reduction, human capital and development and water consumption as represented in the following table.

The remuneration of the whole C-level is strictly linked to ESG topics. Occupational Health & Safety target and CO_2 emissions reduction target are included in the STI program of all C-level employees. Specifically, these KPIs account for 15% - 20% of their remuneration. Therefore, ESG related issues have a consistent and specific weight in determining the variable remuneration of senior executives. The LTI Plan consists of three three-year cycles, each providing for the payment of an incentive subject to the achievement of performance targets at the end of the performance period. This plan ensures the long-term retention of a selected group of Group managers in strategic positions.

The Plan proposed the following objectives:

• allow beneficiaries to focus on medium/long-term objectives in order to create sustainable value over time in line with the Company's strategic objectives;

• act as a tool for retaining beneficiaries;

• align compensation packages with market practices.

There is no incentive schemes and remuneration policies linked to sustainability matters for members of the administrative, management and supervisory bodies.

Nevertheless, as stated in the Remuneration Relation (link), there are some specific quantitative KPIs linked to the ESG objectives in the STI plan, contributing to the

implementation of the corporate strategy and the pursuit of long-term interests and objectives sustainability. In addition, in 2024 the Company worked to define the remuneration package of the CEO based on target related to ESG requirements, which will be effective from the beginning of 2025.

The 2024 Remuneration Policy does not provide for substantial changes compared to the one approved in 2023, continuously strengthening the number and relevance of the objectives linked to the strategy sustainability of the company at different organizational levels, confirming the extension of the audience of interested in all ESG issues.

Risk management and control systems

Description of the due diligence on sustainability matters

The following table shows how and where the application of the main aspects and steps of the due diligence process are reflected in Cementir's sustainability statement.

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 General Information G1 Business model
b) Engaging with affected stakeholders in all key steps of the due diligence	Social Information chapter (S1, S2, S3, S4)
c) Identifying and assessing adverse impacts	ESRS 2 General Information
d) Taking actions to address those adverse impacts	ESRS 2 General Information and paragraphs "Taking action on material impacts" (S1, S2, S3, S4)
e) Tracking the effectiveness of these efforts and communicating	Paragraphs "Metrics and targets" (S1, S2, S3, S4)

Risk management and internal controls

The Internal Audit Function at Cementir Holding provides independent and objective assurance and consulting services, aimed at enhancing value and optimizing the operations of the Cementir Group.

By developing and monitoring the Group's Internal Control System (ICS), Internal Audit Function evaluates and enhances the effectiveness of risk management, control, and governance processes. In fact, Internal Audit Function diligently identifies and assesses significant exposures, risks, and potential fraud related to the Company's governance, operations, and information systems.

Additionally, Internal Audit Function actively promotes best practices by benchmarking both internal and external standards to ensure compliance with legal requirements, rules and procedures.

In order to provide assurance on Internal Control System effectiveness, the Internal Audit Function performs:

- **Operational Audits:** risk-based operational audits planned at the Group level. Audit scope relates to main operational processes (inventory, purchasing, sales, industry activities, etc.).

- **Follow-up Audits**: audit aimed at verifying the effectiveness of action plans put in place by Management to solve issues previously identified.

- **Special / Spot-Check Audits:** projects requested by Top Management.

- **Whistleblowing investigations**: analyses performed following whistleblowing notifications. Results of the analyses are reported to the Ethic Committee.

- **Compliance to Italian Law 262/05 requirements Activities**: independent test activity on key controls relevant for the Management attestation on Internal Control over Management Reporting (ICFR) in the major Legal Entities.

- **Compliance to Legislative Decree 231/2001 Audits**: audits to verify and monitor the compliance of controls and procedures pursuant to relevant Italian laws.

- **Business Ethics Compliance (BEC) Activities:** activities aimed at monitoring the correct application of the Group Ethic Code. Analyses are mainly focused on executive travel expenses, company asset management, executive consulting services, entertainment expenses and gifts, and bank accounts management.

- **Information Communication Technology (ICT) Checks:** assess the adequacy of ICT processes and ensure that they are properly documented and controlled as well as responding to the Company's requirements. Support to Test ex 262 law and Operational audits if required.

- **Environmental, Health & Safety (EH&S) Audits:** verification of EH&S regulation compliance (OHSAS 18001:2007 and Legislative Decree 81/2008 on H&S and ISO 14000 on environmental issues), adoption and effective implementation of the Compliance Program required by Legislative Decree 231/2001.

- **Environmental, Social and Governance (ESG) Audits:** verification of the completeness and accurateness of the sustainability KPIs quarterly collected.

- **Enterprise Risk Management (ERM) Activities:** activities aimed at identifying, managing and evaluating potential risks that could undermine the achievement of Company objectives.

- **Sustainability Activities:** activities aimed at monitoring and filling the main sustainability disclosures as CDP (Carbon Disclosure Project) and ESG ratings.

- **Action Plan Monitoring:** activities aimed at monitoring the implementation of corrective actions conducted quarterly through a self-declaration by every single owner of the actions to confirm if they have been completed or if it is delayed and the reason why.

The Internal Audit Department verifies all Group companies on three-years basis. When appropriate times, the internal audit selects external parties to conduct specific audits (e.g. EHS audits).

During 2024, the Internal Audit Department performed 154 audit activities, which included operational audits, compliance audits, Human rights audits, Diversity, Equity and Inclusion (DEI) audits, Environmental Health and Safety (EHS) audits, ESG audits, Business ethics audits, updating of Group Enterprise Risk Management, Investigations of any alleged violations received through the whistleblowing system, Special projects relating to requests put forward by Top Management, covering all regions and BUs of the Group.

Starting from October 2023, the Group launched the strategic initiative for the digitalization of Risk Management aiming to:

• enhance organizational resilience by leveraging advanced technology solutions;

• streamline data-driven risk assessments and implement real-time monitoring capabilities;

• foster a proactive and agile approach to risk mitigation across all business functions.

The digitalization of Risk Management ensures that the Group's risk management practices are at the forefront of industry standards.

In 2024, all Group entities have adopted the new tool for updating their Enterprise Risk Management.

The risk event, defined as any potential event that may adversely affect the achievement of strategic and management objectives, is identified by mapping relevant causes, consequences and treatment activities. All the identified risks have been valuated using two variables: impact and likelihood, and their combination generates the overall level of risk.

(Risk inherent value = impact * likelihood).

According to the methodology, the variable "impact" has been evaluated on the basis of three components, whenever it was possible:

- economical (quantitative);
- operational (qualitative);
- reputational (qualitative).

The highest value among these three components is considered as the impact value.

Likelihood and impact are assessed on a scale from 1 to 5, and risk scoring is determined by multiplying the likelihood and impact, resulting in a score ranging from 1to 25.

For further information, refer to "Description of the principal risks and uncertainties" section of the Management Report.

Materiality analysis and results according to the concept of double materiality

Description of the processes to identify and assess material impacts, risks and opportunities

Materiality assessment is conducted through our comprehensive process that aims to identify, assess, prioritize and monitor both potential and actual impacts on people and the environment, as well as risks and opportunities that may in turn have a financial effect on the company.

The materiality assessment follows a systematic approach.

The groundwork for this stage began with the identification and validation of material topics through consultation with multiple sources, both internal and external. Given the constant changes in the market, business relationships and trends, for us it is crucial that the process of identifying impacts is conducted regularly.

Initially, an analysis of the actual and potential impacts generated on the economy, environment and people through corporate operations was carried out. This analysis was facilitated by consulting internal documents from 2023, such as the Group's strategy, the Group's sustainability targets (for details, see the paragraph 'Sustainability Targets'), audits results, complaints received through the whistleblowing channel and Group Enterprise Risk Management. To enhance the analysis, the impact materiality together with the financial materiality – which has been defined based on ERM – lead to the Double Materiality Assessment.

Concerning the Group Risk Management, consultation of the risk register allowed for a more accurate delineation of the main business impacts (for further information on risks analysis, see the chapter 'Risk Management Framework').

Following this, we turned to external sources, which we used to verify the level of alignment or misalignment with the 2023 material topics. By doing this, we were able to validate our internal trends understanding the context surrounding the organisation.

The first screening was conducted with specific reference to our industry, cement production. For this we used and consulted:

- the SASB Materiality Finder (sector specific);
- the MSCI ESG Industry Materiality Map;
- documents and research issued by cement trade associations.

An important stage of the process was then to analyse main laws and regulations in the countries where the Group operates.

To further verify the alignment of our material topics with the needs of our stakeholders, we provided consultation and analysis of ESG mega trends, as reported by MSCI, Refinitiv, S&P Global and from official ESG papers of the main international consulting firms.

We further enriched our analysis by using a benchmark of material topics identified by the main players in the cement sector with an industry benchmarking of 10 competitors.

The result of the identification and research phase is a list of Impacts, Risks and Opportunities related to the Operations of Cementir Holding.

Double Materiality Assessment

CSRD is based on Double Materiality Assessment (DMA), which has two dimensions, namely: impact materiality and financial materiality.

A critical part of the assessment involves measuring impacts, risks, and opportunities not only for stakeholders but also for the company and its strategy, as described in the following paragraphs.

Moreover, it has to be considered that the results of the Double Materiality Assessment can be affected in the next years by possible future changes in the ongoing due diligence and double materiality assessment process, including engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts relevant for stakeholders as a group. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The sustainability statement may therefore not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder may consider important in its own assessment.

Impact Materiality Assessment

This phase is related to the identification and evaluation of the impacts (positive/negative and potential/actual) generated by the Group Cementir and its value chain on people and the environment.

Process:

- Analysis of the Sustainability Reports of competitors, industry trends, main reporting standards and ratings of sustainability, legislative pressures in the sector, geographic reference context, media analysis to understand the context in which the Group operates and identify a preliminary list of impacts generated on the environment and people.
- Analysis of the documents of the Cementir Holding N.V.
- Validation of impact materiality.

As per the ESRS guidance, the relevance of each impact has been assessed by considering its:

- severity (negative impact) or significance (positive impact), which final score is given by the average ones of:
  - 'scale': how great the impact is on the environment or people, after consideration of mitigation actions already in place;
  - 'scope': how widespread the impact is based on parameters such as percentage of sites, employees, or financial spend that the impact relates to;
  - irremediability character' (for negative impacts only): how difficult it is to reverse the damage in terms of cost and time horizon.

The evaluation scale goes from 1 (Low) to 5 (High).

- probability of occurrence, is defined as the possibility of impact occurring. The probability varies depending on the measures taken by the Company to prevent and/or mitigate the impact.

If the impact negatively affects human rights, the severity of the impact takes precedence over the probability as required by the ESRS.

The total severity of an impact is then used to calculate e the average relevance.

Based on severity/significance and probability scores of each impact, a threshold has been identified: only impacts above or equal the defined threshold[2] resulted as relevant for Cementir.

The Audit Committee and the Sustainability Committee have set the materiality thresholds at 'medium'. This means that impacts and risks scored as 'medium' or above, and their associated ESRS topic, are deemed material.

[2] *Threshold is above or equal to 3, in a range scale going from 1 to 5.*

Financial Materiality: risk and opportunities assessment

This phase is associated to the identification of financial risks and opportunities related to sustainability, arising from environmental, social or governance issues and having a substantial influence in the short, medium and long term on the company's financial position, financial performance, cash flow and cost of capital.

Process:

- Mapping of business relationships, natural, social and human resource dependencies along the value chain and actions implemented by the Group to address sustainability issues.
- Preliminary identification of sustainability risks and opportunities.
- Validation of Financial Materiality.

To identify material risks and opportunities for the company, it is necessary to consider:

1. Impacts: a risk or opportunity that may arise from an impact generated by the Company.
2. Impacts or risks from actions to address sustainability issues: risks and opportunities may be generated by actions that the company takes to mitigate its negative impacts or to maximize positive impacts on sustainability.
3. Dependencies and relations: dependencies can activate risks and opportunities in two possible ways:
    a. may affect the ability of the enterprise to continue to use or obtain resources necessary for its business processes, as well as the quality and price of such resources;
    b. they can impact the company's ability to rely on the necessary relationships for its business activities under acceptable conditions.

The actors and capital on which the Group depends and with which it interacts also include its own Stakeholders, which were considered in the analysis of Double Materiality

The measurement methodology of CSRD used for financial materiality is to include two qualitative variables: magnitude and probability.

Indeed, each risk and opportunity have been assessed by considering:

- the potential magnitude of financial effects based on different triggers, including EBITDA. It was scored as 'low', low-medium', 'medium', 'medium-high' or 'high'.
- the probability of occurrence, scored as 'low', 'low-medium', 'medium', 'medium-high' or 'high', by using relevant time horizons of short-, mid-, or long-term.

Cementir assessed the nature of these effects in different scenarios with assumptions based on input parameters from subject-matter experts.

Based on magnitude and probability scores of each risk and opportunity, a threshold has been identified; only risks and opportunities above the defined threshold have been defined as relevant for Cementir.

Our Audit Committee and Sustainability Committee have set the materiality thresholds at 'medium'. This means that impacts and risks scored as 'medium' or above, and their associated ESRS topic, are deemed material.

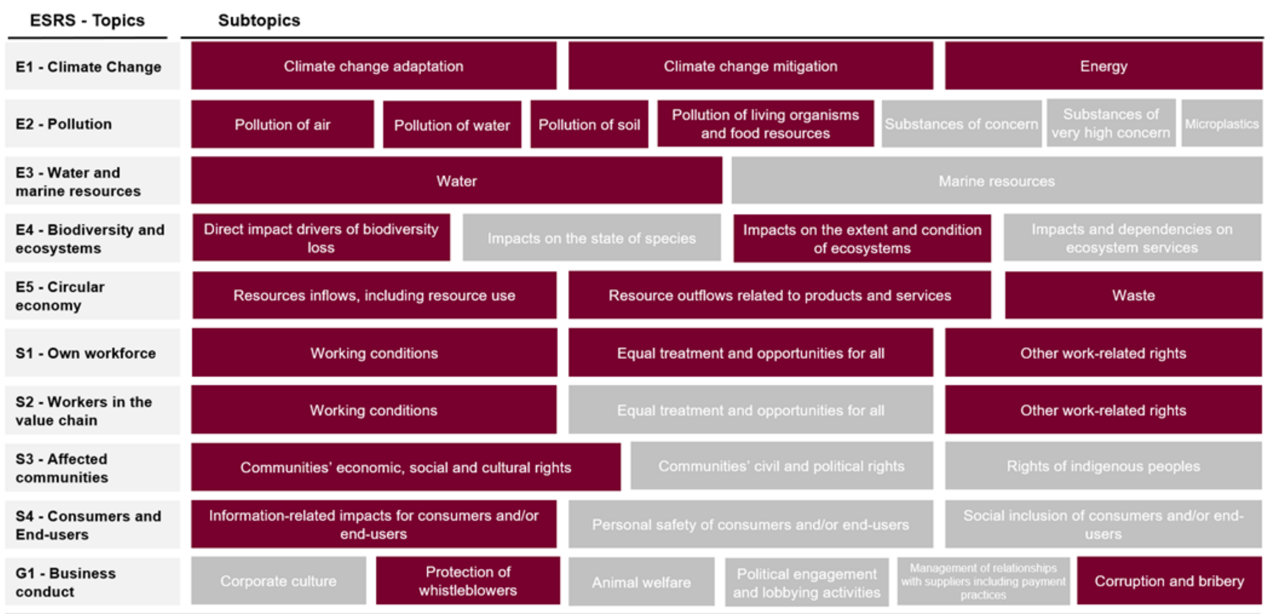
Double Materiality outcome

Sustainability Department together with Internal Audit Department and the relevant owners, defined the final result of IROs assessment as well as the list of Cementir's material topics, classified into three equally distributed different categories (environmental, social and governance), according to the ESRS Standards.

The list is comprehensive as much as possible and outline the holistic framework in which the Group operates on a day-to-day basis. This updated list provides a complete sustainability disclosure and is fully consistent with the Cementir Group's strategy.

ESRS Topic	Sub-topic	Description
E1 - Climate Change	Climate change adaptation Climate change mitigation Energy	Taking concrete actions on climate change mitigation and addressing direct and indirect greenhouse gas emissions that the company generates through its activities. Cementir is committed to developing a business model in line with the sustainability strategic goals and the CO2 emission reduction targets judged by the Science Based Targets initiative (SBTi) to be consistent with a 1.5°C world. In February 2024, SBTi validated that the CO2 reduction targets for the near-term (2030) and long-term (2050) defined by Cementir are in line with the 1.5°C Scenario. Internal monitoring process aimed at the correct and responsible use of energy, with particular attention to sources of supply. By 2030, the Group will increase the proportion of alternative fuels in the fuel mixed to 48% for producing grey cement and 14% for white cement. Energy management is not only related to source of supply but also to its sale. In Aalborg plant, excess heat is recovered from cement production and distributed to provide district heating to local inhabitants.
E2 - Pollution	Pollution of air Pollution of water Pollution of soil Pollution of living organisms and food resources	Monitoring, target definition and possible reduction of other air emissions, other than Greenhouse Gas emissions that the company generates through its activities. The company is committed to the constant monitoring of air quality for the analysis of both absolute and specific emissions as PM, NOx, SO2, NH3, HCl, HF, Hg, TOC, CO and similar pollutants.
E3 - Water and marine resources	Water	The control and movement of water resources to minimise damage to life and property and to maximise efficient beneficial use. The Group has laid out a 10-year roadmap that will allow water consumption per ton of Cement Equivalent produced to be reduced by 20% compared to 2019. For plants located in high water-stress areas, for which the specific water consumption is already lower than the Group average, the reduction target is 25%. Company's commitment is also enforced by the signature of the WASH Pledge (for more information, see 'Responsible and efficient use of water'), aligned with SDG 6, which guarantees the provision and access to water at an appropriate standard for all employees in all premises under our direct control. Cementir is also committed to acting on WASH across its value chain (suppliers and communities).
E4 - Biodiversity	Direct impact drivers of biodiversity loss	Ensure and guarantee the protection of biodiversity in all territories where the company operates. The company is also committed to minimising its environmental impact through the development and implementation of a Rehabilitation Plan for all its quarries and a Biodiversity Management Plan for

and ecosystems	Impacts on the extent and condition of ecosystems	the quarries assessed as having a 'High biodiversity value'. In this way each plant is committed to the development of appropriately focused rehabilitation and management plans to preserve biodiversity and ensure quarry rehabilitation.
E5 - Circular economy	Resources inflows, including resource use Resource outflows related to products and services Waste	Respect, application and dissemination of the circularity principles in both production and consumption, extending the value creation of all products and materials. Our roadmap is fully inspired by circular economy principles and its application allows resources to remain in use for longer periods, extracting maximum value from them. In addition, reuse and recycling contribute to environmental footprint reduction by helping to improve sustainability within the cement value chain. It also involves the integration of alternative fuels, encompassing the exploration, implementation and promotion of sustainable and environmentally friendly energy sources beyond traditional fossil fuels.
S1 - Own workforce	Working conditions Equal treatment and opportunities for all Other work-related rights	Fully respecting and ensuring the application of diversity equity and inclusion (DEI) policies throughout the company and all its stakeholders. The company is dedicated to establishing and endorsing a safe and healthy workplace environment, free from injuries, fatalities, and illnesses. Since 2022, all cement plants have been covered by ISO 45001 certification, reinforcing the company's steadfast commitment to this important topic. To ensure full respect for human rights, the company is committed to upholding the rights of all its stakeholders. This commitment is further strengthened by adhering to the Group's Human Rights policy. Boosting employee engagement, encouraging teams to improve their performance at work and ensuring individuals are inspired to continually develop in their career.
S2 - Workers in the value chain	Working conditions Other work-related rights	Throughout the entire value chain, the Group ensures that everyone integrates and adheres to the highest standards in accordance with the company's policies, international frameworks, and public commitments.
S3 - Affected communities	Communities' economic, social and cultural rights	Engaging with the communities that the company operate within, ensuring their active involvement and participation. All by respecting their human rights and enhancing the efforts towards the distribution of benefits to the local communities.
S4 - Consumers and End-users	Information-related impacts for consumers and/or end-users	Encompasses the strategic and operational activities undertaken by our company to understand, engage with and satisfy the needs of our diverse customer base. It involves the seamless integration of processes, technologies, and human interactions to foster positive relationships throughout the entire customer journey.
G1 - Business conduct	Protection of whistleblowers Corruption and bribery	Management always operates in full accordance with and respect of the market: ensuring fair competition, application of anti-corruption practices and policies, implementation of ethical business practices; all aimed at value creation.



The Company' strategy is supported by the ERM, through the analysis of climate risks that mostly impact the company's type of business. The strategy is constantly updated based on the risks monitored through ERM and the scenario analysis.

The following table lists the sustainability-related impacts, risks and opportunities (IROs) identified and assessed as material as a result of Cementir's double materiality assessment process, including a brief description.

In addition, it also shows:

- whether impacts are positive or negative;
- the time horizon: short term (ST), medium term (MT), long term (LT);
- the scope of the value chain: upstream (U), own operations (OO), downstream (D).

Specific information are included in the topical sections 'Environment', 'Social', and Governance'. It has to be noted that in 2024 there were no current financial effects,

ESRS	Topic	Sub-topic	Impact description	Impact Risk Opportunity	Time horizon	Scope of the value chain
E1	Climate Change	Climate change mitigation	The production for the undertaking and in particular the production of cement, leads to direct greenhouse gas emissions from on-site fuel combustion and chemical processes, contributing to climate change with a consequent Negative Impact on the environment.	Negative Impact	ST	OO
	Climate Change	Climate change adaptation	Cementir Holding's own operations, such as the production processes in their cement plants, directly emit CO2 and other greenhouse gases increasing its contribution to global warming.	Negative Impact	ST	OO
	Climate Change	Climate change adaptation	The indirect impact comes from the energy consumption of Cementir Holding's operations,	Negative Impact	ST	OO

			such as the electricity used in their facilities contributing to climate change.			
	Climate Change	Climate change adaptation	The impact comes from Cementir Holding's Scope 3 emissions and refers to indirect emissions that occur in the company's value chain, such as those from the production and transportation of purchased goods and services. These emissions contribute significantly to the company's overall carbon footprint and addressing them is crucial for achieving broader climate goals.	Negative Impact	ST	U, D
	Climate Change	Energy	The production for Cementir requires a significant amount of energy mainly from the direct combustion of fossil fuels and purchased electricity, and has intrinsic process emissions, leads to greenhouse gas emissions that contribute to climate change and have a Negative Impact on the environment.	Negative Impact	ST	OO
	Climate change adaptation		Water risk, including water stress and seasonal changes, can lead to business interruptions, resulting in significant revenue losses that Negative Impact EBITDA. Limited water availability may hinder production processes, causing delays and decreased output. The financial implications of these disruptions, along with potential costs related to sourcing alternative water supplies or investing in water-saving technologies, can reduce profitability and overall financial health.	Risk	Medium term	U, OO, D
	Climate change mitigation		The tightening or implementation of new emission regulations, such as the Carbon Border Adjustment Mechanism (CBAM), can lead to increased operational costs for Cementir. These rising costs may arise from the necessity to invest in compliance measures or technology upgrades to meet stricter emissions limits, ultimately impacting EBITDA. If unable to manage these costs effectively, Cementir could face reduced profitability and competitive disadvantage in the market.	Risk	Short term	U, OO, D
	Climate change mitigation		Emerging regulations can lead to higher costs and restrictions on production capabilities for Cementir. Increased compliance and operational costs associated with these regulations may hinder profitability and financial performance. If Cementir fails to adapt to these regulatory changes, it risks production slowdowns and lost revenue opportunities.	Risk	Medium term	U, OO, D
	Climate change mitigation		Cementir’s focus on the development and implementation of Carbon Capture and Storage (CCS) technology is pivotal in achieving CO2 emission reduction targets. By effectively deploying CCS, Cementir can not only enhance its environmental credentials but also secure a competitive advantage in the market. This strategic move is likely to improve financial performance through potential cost savings from avoided emissions penalties and access to emerging carbon credit markets, ultimately benefitting EBITDA and long-term profitability.	Opportunity	Long term	OO
	Climate change mitigation		70% CARBON CAPTURE	Opportunity	Medium term	U, OO, D
	Climate change mitigation		Cementir Group's introduction of new Cement types, such as FUTURECEM, which reduces CO2 emissions by 30% compared to traditional cement, positions the Company favourably in a sustainability-driven market. Innovation not only addresses growing consumer demand for greener	Opportunity	Medium term	U, OO, D

			alternatives but also enhances the Company's competitive edge. The financial implications include increased sales, enhanced market share, and improved profitability, all of which contribute to a Positive Impact to the Company's EBITDA and overall financial health.			
	Climate change mitigation		An insufficient product development plan that does not align with market trends can hinder Cementir's ability to produce low-emission products. This inadequacy may result in missed opportunities to capitalize on emerging market demands for sustainable construction materials, subsequently affecting revenue generation and diminishing competitive advantages. The lack of viable low-emission products can adversely impact EBITDA and overall financial performance.	Risk	Medium term	OO
	Climate change mitigation		A lack of effective marketing strategies for low-emission products can lead to missed revenue opportunities and reduced competitive advantages in a sustainability-focused market. Consumers increasingly prioritize sustainable choices, and the failure to effectively communicate the benefits of these products can directly impact sales and Negative Impact EBITDA, resulting in adverse financial implications.	Risk	Medium term	OO, D
	Energy		The undertaking generates significant direct greenhouse gas (GHG) emissions, potentially resulting in higher operating and capital expenditures from emissions regulations.	Risk	Short term	OO
	Energy		The type of production of the Company requires significant energy, sourced primarily from direct fossil fuel combustion as well as from purchased electricity. The reliance on purchased fuels and electricity for production costs could lead to increased financial risk due to rising energy prices.	Risk	Short term	OO
E2	Pollution	Pollution of air	The combustion and production processes for cement, both white and grey, and in particular during the phase of Clinker production, Cementir emits air pollutants and hazardous chemicals, including small amounts of organic compounds and heavy metals, which can Negative impact the environment, society, and external stakeholders.	Negative Impact	ST	OO
	Pollution	Pollution of air	The use of alternative fuels such as scrap tires and used oils by construction material manufacturing companies can lead to the release of harmful atmospheric pollutants, result having a Negative Impact external impact.	Negative Impact	ST	OO
	Pollution	Pollution of water	The undertaking, through its combustion and production processes, could release trace amounts of organic compounds and heavy metals, which can impact water quality.	Negative Impact	ST	OO
	Pollution	Pollution of soil - The present impact is still under evaluation with regard to the quantitative aspect.	Combustion and production processes of the undertaking emit air pollutants and hazardous chemicals, including small amounts of organic compounds and heavy metals, can affect soil which can Negative impact the environment, society, and external stakeholders.	Negative Impact	ST	OO
	Pollution	Pollution of living organisms and food resources - The present impact is still	Combustion and production processes of the undertaking emit air pollutants and hazardous chemicals, including small amounts of organic compounds and heavy metals can affect living organism and food resources, which can Negative	Negative Impact	ST	OO

		under evaluation with regard to the quantitative aspect.	impact the environment, society, and external stakeholders.			
	Pollution	Pollution of air	Air emissions from on-site fuel combustion and production processes, such as nitrogen oxides, sulphur dioxides, particulate matter, heavy metals, dioxins and volatile organic compounds, may incur higher operating or capital expenditures, regulatory or legal penalties, and other financial impacts.	Risk	Short term	U, O
	Pollution	Pollution of water	Water pollution due to combustion and production process can lead to significant fines, clean-up costs, and legal liabilities, severely impacting a company's financial stability and reputation.	Risk	Medium term	U, O
	Pollution	Pollution of living organisms and food resources	Affecting food resources and living organisms by pollutants and hazardous chemicals from production processes can result in substantial fines, clean-up expenses, and legal liabilities, severely impacting the company's reputation.	Risk	Medium term	U, O
E3	Water and marine resources	Water consumption	The production of Cementir requires large amounts of water, which can lead to water scarcity in water sensitive areas, which can have a Negative Impact and affecting ecosystems and wildlife.	Negative Impact	ST	OO
	Water and marine resources	Water use (incl. water withdrawals and consumption)	Resulting from the large volumes of water used in Cement manufacturing and resource extraction from the quarry, entities face operational, regulatory and reputational risks associated with water scarcity, costs of water acquisition, regulations on effluents or amount of water used, and competition with local communities and other industries for limited water resources.	Risk	Short term	U, O
	Water and marine resources	Water use (incl. water withdrawals and consumption)	The inability to secure a stable water supply and rising water prices could lead to production disruptions and increased production costs, which could have a Negative Impact financial impact on the business.	Risk	Short term	U, O
	Water and marine resources	Water use (incl. water withdrawals and consumption)	Entities face increasing operational, regulatory, reputational, and financial risks due to water scarcity, costs of water acquisition, regulations on effluents or amount of water used, and competition with local communities and other industries for limited water resources, particularly in regions where water is scarce.	Risk	Short term	U, O
E4	Biodiversity and Ecosystems	Direct impact drivers of biodiversity loss	Quarrying activities which refer to the extraction of the materials directly from the surface can contribute to the direct drivers of biodiversity loss. It leads to habitat destruction, biodiversity loss, soil erosion, air and water pollution and generating a Negative Impact on Biodiversity and Ecosystems.	Negative Impact	LT	OO U
E4	Biodiversity and Ecosystems	Impacts on the extent and condition of ecosystems	Quarrying operations by the undertaking involve the removal of vegetation and topsoil, as well as the blasting and crushing of underlying stone deposits, can lead to permanent alterations of the landscape, resulting in Negative Impact impacts on the ecosystem.	Negative Impact	ST	OO U
	Biodiversity and Ecosystems	Direct impact drivers of biodiversity loss - climate change	Entities that lack an effective environmental management plan for different stages of the project lifecycle, including restoration during site decommissioning, may incur increased compliance costs and legal liabilities.	Risk	Long term	U,OO
	Biodiversity and Ecosystems	Direct impact drivers of biodiversity	Accessing ecologically sensitive areas may pose regulatory or reputational barriers, resulting in	Risk	Short term	U,OO

		loss - climate change	financial losses, fines, and/or increased operating costs.			
	Biodiversity and Ecosystems	Direct impact drivers of biodiversity loss - Land use change	Quarrying, which requires the removal of vegetation and topsoil, as well as the blasting and crushing of underlying stone deposits, could lead to increased extraction costs due to increasing awareness and protection of ecosystems.	Risk	Short term	U
E5	Resource use and circular economy	Resources inflows, including resource use	Critical issues arising from a lack of raw materials, fuels, or aggregates can significantly disrupt production schedules, leading to increased operational costs and lost sales opportunities.	Risk	Medium term	U, OO
	Resource use and circular economy	Waste	Waste from production processes, pollution control devices and from hazardous waste management activities present a regulatory risk and can increase operating costs.	Risk	Medium term	U, OO
S1	Own Workforce	Working conditions	Not giving access to secure employment through stable contract and not promoting the well-being of people could lead the employees to be stressed and not satisfied having consequently low performances on the organization and having a Negative Impact on business and results of the undertaking.	Negative Impact	ST	OO
	Own Workforce	Working conditions	Cementir not ensuring a proper work-life balance for its employees, not maintain a healthy equilibrium between private and working life can have a Negative Impact on employees and consequently on the performance of the Company.	Negative Impact	ST	OO
	Own Workforce	Working conditions	The inhalation of silica dust by workers can lead to the development of chronic health conditions, resulting in Negative Impact external impacts on their health.	Negative Impact	LT	OO
	Own Workforce	Other work-related rights	The use of heavy equipment and quarrying operations by the undertaking can lead to high fatality rates, significant health and safety risks for their employees and contractors.	Negative Impact	ST	OO
	Own Workforce	Working conditions	The Company through Policies, training and Whistleblowing channel, guarantee the measure against violence and harassment in the workplace.	Positive Impact	ST	OO
	Own Workforce	Working conditions	The Company promotes diversity, equity, and inclusion initiatives which lead to Positive Impact significant influence of workforce diversity and consequently provides equal treatment and opportunity for all.	Positive Impact	ST	OO
	Own Workforce	Working conditions	Severe human rights issues (e.g. forced labour, human trafficking or child labour) affecting the undertaking's own workforce can lead to a Negative Impact for Cementir.	Negative Impact	MT	OO
	Own Workforce	Other work-related rights	Water access in some geographical areas where the Company operates can be difficult due to scarcity or water stress. For this reason, the Company is part of the WASH Pledge program with the aim to take action on the value chain providing access to safe water, sanitation, and hygiene at the workplace. By signing this pledge, Cementir contribute to the implementation of SDG 6 and provide international best practices on WASH.	Positive Impact	ST	OO
	Own Workforce	Other work-related rights	the increase of awareness of people regarding regulations of equal opportunities and treatment for Diversity can lead the company to a risk of reduction of the number of people interested in working in the company and may occurs in fines not respecting the regulations. Both of those can lead to a reduction of production or increase of costs with related impact on the EBITDA.	Risk	Short term	OO

	Own Workforce	Other work-related rights	the increase of awareness of people regarding regulations of equal opportunities and treatment regarding gender equality and equal pay for work of equal value can lead the company to a risk of reduction of the number of people interested in working in the company and may occurs in fines not respecting the regulations. Both of those can lead to a reduction of production or increase of costs with related impact on the EBITDA.	Risk	Short term	OO
	Own workforce	Equal treatment and opportunities for all - Diversity	Risks related to accident prevention and health & safety regulations' violations can lead to medical and legal expenses as per fines and sanctions.	Risk	Medium term	OO
	Own workforce	Equal treatment and opportunities for all - Gender equality and equal pay for work of equal value	Geographical areas can have risk related to child and forced labour can lead to reputational risk and sanctions, operational costs can increase.	Risk	ST	OO
S2	Workers in the value chain	Working conditions	Upstream activities Mining and Quarrying there is the possibility that contracts (e.g. temporary) do not guarantee contractual security thus generating a Negative Impact.	Negative Impact	ST	U
	Workers in the value chain	Working conditions	The inhalation of silica dust by workers can lead to the development of chronic health conditions, resulting in Negative Impact external impacts on their health for the workers in the value chain	Negative Impact	LT	U
	Workers in the value chain	Working conditions	The use of heavy equipment and quarrying operations by the undertaking can lead to high fatality rates, significant health and safety risks for the workers in the value chain	Negative Impact	ST	U
	Workers in the value chain	Other work-related rights	Severe human rights issues (e.g. forced labour, human trafficking or child labour) affecting the undertaking's value chain workers can lead to a Negative Impact for Cementir.	Negative Impact	MT	U
	Workers in the value chain	Working conditions - Health and safety	Risks related to accident prevention and health & safety regulations' violations can lead to financial effects related to cost increase for sanctions due to mismanagement of resources.	Risk	Long term	U
	Workers in the value chain	Working conditions - Health and safety	Risks related to vendors, haulers, clients, subcontractors' injuries during the service performing or in close proximity of the company's plant can lead to significant reputational damage and legal liabilities. These incidents could result in increased insurance costs, potential legal settlements, and loss of business. Such financial impacts would likely contribute to a decrease in EBITDA.	Risk	Medium term	U, D
	Workers in the value chain	Working conditions - Health and safety	Worker injuries, illnesses, and fatalities can lead to regulatory penalties, Negative Impact publicity, low worker morale and productivity, increased healthcare and compensation costs, and potential litigation, all of which can have a significant financial impact on the business.	Risk	Medium term	U, OO, D
	Workers in the value chain	Other work-related rights - Child labour Forced labour	Geographical areas can have risk related to child and forced labour can lead to reputational risk and sanctions, operational costs can increase.	Risk	Medium term	U, OO, D
S3	Affected communities	Communities' economic, social and cultural rights	The production of Cementir requires large amounts of water, which can lead to water scarcity in water sensitive areas, which can have a Negative Impact on local communities and other industries dealing with limited water resources	Negative Impact	MT	U, OO, D

	Affected communities	Communities' economic, social and cultural rights	Accessing ecologically sensitive areas may pose regulatory or reputational barriers, resulting in financial losses, fines, and/or increased operating costs.	Risk	Medium term	U, OO
S4	Consumers and end-users	Information-related impacts - Privacy	Sensitive data exposure can lead to serious consequences, including identity theft, financial fraud, and damage to the undertaking's reputation. The data breaches can lead to legal and compliance consequences but also to the loss of customers with a consequent loss of revenues.	Risk	Short term	D
G1	Business Conduct	Protection of whistle-blowers	Whistleblowing Channel Policy with reference to confidentiality and anonymous complaint report potential misconduct or concerns with the aim to correct the problem timely without compromising the company's reputation, transparency and prevent financial risk/damages.	Risk	Short term	U, OO, D
	Business Conduct	Corruption and bribery - Prevention and detection including training + incidents	Risks related to money laundering regulations' violations can lead to a financial loss for criminal and civil fines as per penalties and reputation damage that can drive to a loss of sales and consequently on revenues.	Risk	Long term	OO
	Business Conduct	Corruption and bribery - Prevention and detection including training + incidents	Risks related to anti-corruption regulations' violations can lead the Company to pay fines and sanctions and can affect economic development, debarment from public contracts, and reputational damage.	Risk	Long term	OO
	Business Conduct	Corruption and bribery - Prevention and detection including training + incidents	Business activity leading to price fixing or other manipulation of prices may result in material legal fines, business disruption, and financial losses.	Risk	Long term	U, OO, D

Policies, Action plans, Metrics and Targets

Cementir explores the Sustainable Management Model with the governance tools to support maintenance and creation of values, relationships with Stakeholders and related connection with the development of financial, productive, intellectual, human, natural, social and relational capitals.

United Nations Global Compact

Cementir became a participant in the United Nations Global Compact (UNGC) in 2022. Since joining, the company has publicly disclosed its data through the official UNGC platform, the Communication on Progress (CoP).

The UNGC offers leadership guidelines aimed at inspiring advanced and innovative sustainability performance management across the global business community. By adhering to these principles, Cementir has consistently enhanced its ability to create and sustain long-term value through sustainable practices.

Every year, the United Nations Global Compact proposes a series of initiatives to provide support in the definition of strategies and partnerships for the pursuit of Sustainable Development Goals launched in September 2015 in New York with the aim of accompanying the activities of sustainable companies until 2030.

The present Report reflects the integrated Sustainability model adopted by Cementir which is following the Ten Principles of the United Nations Global Compact (here in after "UNGC").

The Ten Principles of the UNGC are the following:

Human Rights

- Principle 1: states that Businesses should support and respect the protection of internationally proclaimed human rights;
- Principle 2: requires Businesses to ensure that they are not complicit in human rights abuses.

Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour;
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: requires Businesses to undertake initiatives to promote greater environmental responsibility;
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should take part in fight against corruption in all its forms, including extortion and bribery.

The over mentioned principles are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

The foundations of corporate sustainability are laid by a company's value system and a principles-based approach to doing business which imply for that company to adopt operating standards that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence and know that good practices in one area do not offset harm in another. By incorporating the Ten Principles of the UNGC into strategies, policies and procedures, and establishing a culture of integrity Cementir is not only upholding its basic responsibilities to people and planet but also setting the stage for long-term success.

United Nations Sustainable Development Goals

Cementir continues to be inspired by the seventeen Sustainable Development Goals of the United Nations (here in after "SDGs") designed to accompany the activities of sustainable companies up to 2030. The SDGs are the blueprints to achieve a better and more sustainable future for all that address the global challenges and that companies have to face out, including those related to poverty, inequality, climate change, environmental degradation, peace and justice.

The 17 Goals are all interconnected, and in order to leave no one behind, it is important that all the companies work to achieve them all by 2030.

The Sustainability Plan has been developed in accordance with the "Value Driver" model drawn up by the UNGC and sets targets that combine growth, productivity, Governance and Risk Management. Moreover, through the adoption of the Ten Principles of the UNGC and the inspiration for the 17 SDGs, the Company endeavours to create the perfect correlation between the four main areas of the Ten Principles and the SDGs, where indeed the latter address the former in a more detailed manner.

Below, the breakdown of all the principles impacted through the company's operations and strategies.

UN SDGs	Target	CO2 reduction target for grey and white cement
13	**Detailed description**	The Group has defined a Roadmap to 2030 that will allow for the constant reduction of CO_2 emissions per ton of cement. The Group will reduce emissions of CO_2 per ton of grey cement to 458 kg, which is below the limits required by the European Taxonomy and equates to a 36% reduction from 2020 levels. For white cement, CO_2 emissions will be reduced to 737 kg per ton of cement.
	2024 Results	The implementation of the Roadmap is proceeding as planned. In 2024, emissions per ton of grey cement were 655 kg, down 9% compared to 2020, while emissions per ton of white cement were 846 kg, down 7% compared to 2020.
	Deadline	2030 2050
	Progress	Target in line with the planned roadmap
	Section	Cementir roadmap
13	**Target**	**Net zero emissions**
	Detailed description	The goal of the Group is to reduce Scope 1, 2 and 3 emissions to zero or to a residual level that is consistent with reaching net-zero emissions at the global level in eligible 1.5°C scenarios and to neutralise any residual emissions at the net-zero target date.
	2024 Results	In February 2024, the Science Based Targets Initiative (SBTi) validated that the CO_2 reduction targets for the near-term (2030) and long-term (2050) defined by Cementir are in line with the 1.5°C Scenario.
	Deadline	2050
	Progress	Target in line with the planned roadmap
	Section	Based Targets Initiative 2050 ambition Value chain engagement

		Cementir's Scope 3 emissions
7,9,12	**Target**	**€ 100 million investments in the 2024-2026 period**
	Detailed description	The 2024-26 Industrial Plan, approved by the Board of Directors in February 2024, targets € 100 million investments in Sustainability and Digitalisation, which will include, among others: preliminary studies for CCS in Denmark and Belgium; the kiln upgrade at the Belgian plant to increase the use of alternative fuels from the current 40% to over 70%; the transition to natural gas in some of the Group's plants, the preparation of the structures necessary for the production of FUTURECEM® in Denmark.
	2024 Results	In February 2024, the Board of Directors approved the 2024-2026 Industrial Plan.
	Deadline	2026
	Progress	Target in line with the planned roadmap
	Section	Main investments to achieve CO_2 reduction targets
13	**Target**	**Lowering clinker content of grey cement to 64%**
	Detailed description	FUTURECEMR, is a low carbon cement which allows more than 35 % of the energy intensive clinker in cement to be replaced by limestone and calcined clay. By 2030, FUTURECEMR volumes sold are expected to reach around 51% of total volumes sold in Europe and 60% of grey cement volumes.
	2024 Results	In 2024, the clinker ratio for grey cement was increased to 80%, from the 79% of 2023. In January 2021, Cementir started the distribution of FUTURECEM and the sales expectations were fully met in the period till 2024.
	Deadline	2025 2030
	Progress	Target in line with the planned roadmap
	Section	Cementir Roadmap
12,13	**Target**	**48% alternative fuel use for grey cement production by 2030**
	Detailed description	The Group target has individual goals for each plant producing grey cement. The overall Group target defined, which also has intermediate targets for 2025, has a final target date of 2030.
	2024 Results	In 2024, the use of alternative fuels increased by 1% percentage points compared to 2023 (34% in 2024 versus the 33% of 2023).
	Deadline	2025 2030
	Progress	Target in line with the planned roadmap
	Section	Cementir Roadmap
13	**Target**	**Lowering clinker content of white cement to 78%**

	Detailed description	For white cement, CO_2 emissions will be reduced to 737 kg per ton of cement. The reduction will be achieved by replacing traditional fuels with fuels that have a lower emission impact, in particular natural gas and other alternative fuels such as biomass, and by replacing clinker with mineral additives, such as limestone.
	2024 Results	In 2024, the clinker ratio for grey cement was increased to 80%, from the 79% of 2023. In January 2021, Cementir started the distribution of FUTURECEM and the sales expectations were fully met in the period till 2024.
	Deadline	2025 2030
	Progress	Target in line with the planned roadmap
	Section	Cementir Roadmap
12,13	**Target**	**6% alternative fuel use for white cement production by 2030**
	Detailed description	For white cement, CO_2 emissions will be reduced to 653 kg per ton of cement. The reduction will be achieved by replacing traditional fuels with fuels that have a lower emissions impact, in particular natural gas and other alternative fuels such as biomass, and by replacing clinker with mineral additives, such as limestone.
	2024 Results	In 2024, the Group's treatment plants produced a total of 15,569 tons of fuel from waste.
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Cementir Roadmap 2030
	Target	**Production of alternative fuels from waste**
	Detailed description	The Group's plants produce alternative fuels and thermal energy, minimizing landfill waste and contributing to the reduction of greenhouse gas (GHG) emissions.
12,13	**2024 Results**	In 2024, the Group's treatment plants produced a total of 15,569 of fuel from waste.
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Waste processed in 2024
	Target	**Companies must operate with a certified environmental management system (i.e. ISO 14001)**
12	**Detailed description**	The Group plans to certify all cement plants by 2025 and all RMC plants by 2027.
	2024 Results	As of 2024, 8 cement plants (accounting for the 93% of total cement

		production), 3 RMC companies (accounting for the 30% of total RMC production) and one waste management companies (accounting for the 100% of waste managed by the group) are ISO 14001 certified.
	Deadline	2025 2027
	Progress	Target in line with the planned roadmap
	Section	We respect the environment in all our operations (Page 139)
6	**Target**	**Group water related targets**
	Detailed description	The Group has defined a 10-Year Roadmap that will allow for the reduction of the water consumption per ton of cement produced by 20% compared to 2019 (plan baseline). Concerning the plants located in high water stress areas, for which the specific water consumption is already lower than the Group average, the reduction target is 25%.
	2024 Results	In 2024, specific water consumption was further reduced. In 2024, water consumption was 373 litres per ton of cement, versus 387 recorded in 2023. For plants located in high water-stress areas, water consumption was 241 litres per ton of cement versus 246 recorded in 2023.
	Deadline	2030
	Progress	Target in line with the planned roadmap
	Section	Responsible and efficient use of water (Page 145)
15	**Target**	**Biodiversity preservation**
	Detailed description	Cementir is committed to minimising negative impacts and where possible enhancing biodiversity by following the established international best practices. Rehabilitation plan in all active sites by 2025: 100%. Biodiversity value assessment of all active sites and Biodiversity Management Plan for all high biodiversity sites by 2030.
	2024 Results	As of 2024, 95% of quarry rehabilitation plans are in place. In 2022, Cementir issued the biodiversity and rehabilitation guidelines to set Group wide standards and targets aligned with international best practices to review all existing biodiversity plans in place, identify improvements in rehabilitation plans and identify quarries with high biodiversity value.
	Deadline	2025 2030
	Progress	Target in line with the planned roadmap
	Section	Extraction activities, rehabilitation and biodiversity
	Target	Supporting Denmark in delivering a 70% reduction in greenhouse gases by 2030
	Detailed description	Through Aalborg Portland, the Group is involved in the most ambitious CO2 reduction project sponsored by a government. Aalborg Portland is leading the technical group that will provide the Danish government with a technical forecast of all potential CO2 reductions achievable by energy

		intensive industries in Denmark and will define the prerequisites (policy, research, innovation, subsidies, etc.) for such reductions.
	2024 Results	Aalborg Portland has committed to reducing its Scope 1 emissions to maximum 600.000 tonnes by 2030. This reduction entails delivering a 73% reduction of Scope 1 emission compared to 2021 levels.
	Deadline	2030
	Progress	Target in line with the planned roadmap
	Section	Cementir Roadmap
4	**Target**	**Sustainable talent management**
	Detailed description	Key positions are filled internally with top-class candidates worldwide.
	2024 Results	In 2024, a Group talent review was conducted with the aim of obtaining an overview of performance trends and assessing potential readiness for advancement into higher or more complex roles. This process enabled us to identify key individuals for retention through development plans and to pinpoint key roles that need to be filled by a roster of potential successors in the short, medium, and long term, thereby ensuring business continuity.
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Talent review and succession plans for key positions within the Group Cementir academy
5,10	**Target**	**Promoting diversity in the workforce**
	Detailed description	Cementir is committed to promoting diversity in the workforce.
	2024 Results	In 2021, the Group Internal Audit defined a work program for diversity, equity, and inclusion (DEI) audits. In 2024, the audits were carried out in all of the Group's companies, with a coverage of 100% of Cementir's workforce worldwide. The analyses highlighted that, internal operations are in line with internationally recognized diversity, equity and inclusion principles, furthermore no risks were identified during the audit activities.
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Commitment to Diversity Equity and Inclusion (DEI) Diversity, Equity and Inclusion audits performed in 2023
3	**Target**	**People engagement**

	Detailed description	Increase engagement across the Group by listening, engaging and implementing improvement plans.
	2024 Results	In November 2022 the Cementir Group launched its second Global People Survey, ‘Your Voice’. Mirroring the survey performed in 2019, this survey involved all Cementir employees.
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Group People Survey
3,8	**Target**	**Zero accidents strategy**
	Detailed description	To achieve it the Group is focusing on: • Leadership in practice • Commitment & Responsibility • Risk Management • Involvement & Participation • Competence & Awareness • Continuous improvement
	2024 Results	In 2024, there were no fatalities among employees and contractors/subcontractors.
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Health and safety are a common value
8	**Target**	**All RMC plants must operate with a certified health and safety management system (i.e. ISO 45001**
	Detailed description	The Group plans to certify all RMC plants by 2027.
	2024 Results	As of today, RMC plants are not certified ISO 45001.
	Deadline	2027
	Progress	Target in line with the planned roadmap
	Section	Health and safety are a common value
	Target	**Quality education for employees**
	Detailed description	In 2018, the Group launched the Cementir Academy, a training hub that aims to develop and enhance the technical, behavioural and managerial skills of all our employees.
	2024 Results	More than 80,000 hours of training were provided in 2024.
	Deadline	ongoing

	Progress	Target in line with the planned roadmap
	Section	Cementir Academy (Page 170)
13,8	**Target**	**Link between employee remuneration and sustainability targets**
	Detailed description	The sustainability targets defined by the Group are included in the monetary incentive plan adopted by Cementir.
	2024 Results	The remuneration of the whole C-level is strictly linked to ESG topics (e.g. Occupational Health & Safety, CO2 emissions reduction and so on), specifically these KPIs account for the 15 - 20 % of their remuneration.
	Deadline	2024
	Progress	ongoing
	Section	Remuneration strategy
5,10	**Target**	**Promotion of gender equality with an objective of at least 30% of the Board of Directors being women**
	Detailed description	Implementation of a specific Group Diversity Policy.
	2024 Results	As of December 2024, the Board was composed for its 50% by women, outperforming the defined target.
	Deadline	ongoing
	Progress	ongoing
	Section	The Corporate Governance system
6,13	**Target**	**Transparent communication with stakeholders**
	Detailed description	In 2024, filling in the CDP Climate Change Questionnaire and Water Security Questionnaire and an assurance by the external auditors.
	2024 Results	In 2024, Cementir was awarded 'A' for the management of climate change issues and A- for water management. In 2024, a limited assurance engagement on the Sustainability Statement was provided by external auditors.
	Deadline	2024
	Progress	ongoing
	Section	Cementir's commitment on carbon related public policy Independent Auditor's Report
4	**Target**	**Quality education for the local community**
	Detailed description	In Türkiye, the Group supports the Cimentaş Education and Health Foundation. Since it was founded, the Foundation has sponsored over 500 scholarships for secondary school and

		university students. Thanks to the Foundation's financial support, the Işıkkent High School was founded.
	2024 Results	The Işıkkent High School provides education at all levels from nursery school to secondary school.
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Cimentaş Education and Health Foundation
10	**Target**	**Implementation of monitoring systems to eliminate human rights related risks across the Group**
	Detailed description	A human rights self-assessment checklist, based on the Cementir Code of Ethics, UN Declaration on Human Rights, ILO Conventions and UK Slavery Act has been established and has been included in the Internal Audit process. Starting from 2020, the Internal Audit Department has verified the effective compliance of each company in the following areas: child labour, forced labour, non-discrimination, conditions of employment, security, and supply chain management. In 2022 new categories of analysis have been implemented: community relationship, customers management and diversity, equity and inclusion.
	2024 Results	In 2024, this activity was conducted across the main companies, achieving 100% coverage of Cementir's global workforce. It involved operations in the following countries: Belgium, Denmark, Norway, Türkiye, the United States, China, Malaysia, Egypt, Italy, and Poland. The analyses carried out in 2024 confirmed that internal operations align with internationally recognized human rights standards, and no risks were identified during the audit activities
	Deadline	ongoing
	Progress	Target in line with the planned roadmap
	Section	Commitment to Human Rights

Science Based Targets Initiative (SBTi)

Cementir is committed to developing a business model in line with the sustainability strategic goals and the CO2 emission reduction targets judged by the Science Based Targets initiative (SBTi) to be consistent with a 1.5°C world.

In February 2024, the Science Based Targets Initiative (SBTi) validated that the CO2 reduction targets for the near-term (2030) and long-term (2050) defined by Cementir are in line with the 1.5°C Scenario. SBTi disclosed the approval of the target on February 29, 2024.

Overall Net-Zero Target

Cementir Holding N.V. commits to achieving net-zero greenhouse gas (GHG) emissions across the value chain by 2050.

Near-Term Targets

Cementir Holding N.V. commits to reduce gross scope 1 and 2 GHG emissions 29.33% per ton of cementitious product by 2030 from a 2021 base year. Cementir Holding N.V. commits to reduce gross scope 3 GHG emissions from purchased goods and services 23.00% per ton of purchased clinker and cement by 2030 from a 2021 base year.

Long-Term Targets

Cementir Holding N.V. commits to reducing its gross Scope 1 and 2 GHG emissions by 96.1% per ton of cement by 2050 from a 2021 base year. Cementir Holding N.V. commits to reduce absolute scope 3 GHG emissions 90% by 2050 from a 2021 base year[3].

ESG ratings

In recent years ESG ratings have become increasing significant and enable external stakeholders to have a comprehensive view of the company's approach to environmental, social and governance issues. Furthermore, these ESG issues also drive investment decision and are instrumental in defining sustainable investment strategies.

The annual participation of Cementir in both solicited and unsolicited ESG ratings is always a valuable opportunity to improve overall. The process followed by the company for each rating leads to deep internal analysis, a significant reshaping of its actions and often an awareness of the multitude of best practices adopted.

Cementir's ESG ratings for 2024 indicate both confirmations in several areas and improvements in others. Notably, the company has been recognized as an ESG Industry Top-Rated company by Sustainalytics and named a Climate Leader by the Financial Times. These results underscore the Group's strong commitment to sustainability and the various initiatives implemented over time to enhance its positive impact on society as a whole.

[3] *The target boundary includes land-related emissions and removals from bioenergy feedstocks.*

Following, a summary of Cementir's ESG ratings.

ESG ratings	Rating			Description
	2022	2023	2024	
CDP Climate Change	A-	A-	A	In February 2025, Cementir has been included in CDP's prestigious "A list" for the first time, recognizing the company's strategies and actions to mitigate climate change and embrace corporate transparency. This achievement underlines the significant progress Cementir has made in four years, from its initial "B" rating in 2020.
CDP Water Security	A-	A-	A-	In February 2025, Cementir has also maintained its leadership in CDP Water Security with an A- score for the third year in a row.
Refinitiv	B+	A-	A-	In January 2025 LSEG (formerly Refinitiv) assigned Cementir an A- rating with a score of 77/100, ranking 9th out of 125 companies in the Construction Materials sector.
MSCI	BBB	A	A	In September 2024, Cementir Holding has received an A rating from MSCI for the second year in a row for its strong performance in environmental, social, and governance (ESG) areas.
S&P	54/100	56/100	61/100	In January 2025, Cementir Holding has achieved a Corporate Sustainability Assessment (CSA) score of 61/100 in the 2024 S&P Global CSA, marking a 5-point improvement from 2023.
Sustainalytics	Not scored	29.2 (Medium Risk)	22.3 (Medium Risk)	In October 2024, with an improved ESG Risk Rating of 22.3 (Medium Risk), Cementir has been recognized as an ESG Industry Top-Rated company by Sustainalytics, ranking 7th out of 128 construction materials companies assessed globally.
ISS	Not scored	C+ Prime	C+ Prime	In 2023, Cementir received a C+ Prime, rating above the average for industry peers. Companies are categorised as Prime if they exceed the sustainability performance requirements defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating.
EthiFinance	64/100	70/100	75/100	In 2024, Cementir was scored 75/100 by EthiFinance. With the score obtained, Cementir is above the average of the 168 companies subject to the rating belonging to the Materials sector.
Integrated Governance Index	57/100	52/100	55.99/100	In June 2024 Cementir received a score of 55.99/100, with an ESG identity of Leader. The questionnaire assesses

				the degree of integration of ESG factors into company strategy
Climate Leaders	Not included	Not included	Climate Leader	In April 2024, Cementir has been recognized as Europe's Climate Leaders for 2024. This annual Financial Times and Statista survey lists the 600 European companies that have made the most progress in cutting their carbon emissions intensity over a five-year period.

The impact of the value chain on climate change and water security

To fully understand the environmental impact of a company's economic activities, it is insufficient to focus solely on its direct emissions and risks. A comprehensive evaluation requires engaging the entire value chain to assess and enhance performance.

Value chain engagement is a critical element in managing risks, ensuring quality, fostering innovation, and aligning with ethical and sustainable practices. This collaborative approach strengthens a company's resilience and competitiveness in the marketplace.

Recognizing this, Cementir began calculating its Scope 3 emissions in 2020. This initiative aimed to increase suppliers' awareness of climate change while identifying priority areas for emission reductions across the value chain, following science-based guidelines.

To further this effort, Cementir enriched its supplier engagement process by participating in the CDP Supply Chain program. Since 2020, an increasing number of strategic suppliers have been invited to complete the Climate Change Questionnaire. This questionnaire requires suppliers to disclose information on climate-related risks and opportunities, emissions data, their emissions management strategies (including targets), and the actions they have implemented to reduce emissions.

Cementir has also worked to embed best practices for supplier engagement, encouraging climate action throughout its supply chain. In recent years, Cementir has actively educated its suppliers by providing access to training materials and resources, thereby influencing them to take meaningful climate action and reduce emissions.

Starting in 2023, Cementir expanded its supplier engagement process by inviting suppliers to complete the Water Security Questionnaire. This module helps identify water resources used by suppliers in their operations and supply chains, assesses their water risk management procedures, and evaluates mitigation strategies or opportunities. This initiative underscores Cementir's commitment to preserving and safeguarding valuable natural resources. As in previous years, the company's engagement efforts have focused on its Top Group Suppliers—those deemed strategic due to factors such as spending volume, geographic location, or the type of raw materials and services provided.

Below are the results from 2024, for both questionnaires, through the involvement of suppliers.

Results from 2024 Supplier Engagement Efforts

Below are the key outcomes from both the Climate Change and Water Security Questionnaires for 2024:

1. CDP Supply Chain – Climate Change

● The number of suppliers responding to the Climate Change Questionnaire increased by 11 compared to 2023.

● **88%** of responding suppliers (65 out of 74) have implemented emission reduction initiatives.

● **81%** of responding suppliers (60 out of 74) have set climate targets.

● **84%** of responding suppliers (62 out of 74) are engaging their own supply chains on climate change topics by encouraging compliance with requirements such as GHG emissions disclosure and target-setting.

Supplier Engagement Progress Over Time:

	2024	2023	2022	2021	2020
A) Suppliers involved	173	154	110	75	55
B) Suppliers that responded	74	63	43	29	17
C) Response rate (B/A)	43%	41%	39%	39%	31%
D) Climate Targets	60	57	32	24	Not monitored
E) Target Approved by SBTi	35	38	Not monitored	Not monitored	Not monitored
F) Target aligned with SBTi, but not approved yet	11	6	Not monitored	Not monitored	Not monitored
H) Suppliers engaging their own suppliers	62	55	39	26	Not monitored

1. CDP Supply Chain – Water Security

a. The 100% of responding suppliers have a risk assessment procedure in place

b. The 85% of responding supplier report withdrawal from water stressed areas

c. The 100% of responding suppliers report water-management at the C-suite

d. The 91% of responding suppliers report water targets or goals, with a prevalence of WASH targets

	2024	2023
A) Suppliers involved	173	154
B) Suppliers that responded	53	34
C) Response rate (B/A)	31%	22%

To support suppliers' engagement and boost the response rates, dedicated supplier training webinars have been held since 2020.

This training aims to communicate the importance and benefits from transparently reporting on emissions, climate impact and water security.

Membership

Cementir is actively involved in global and national industry policy discussions on issues related to climate change, sustainable infrastructure, innovation and digital transformation, operational efficiency, health and safety, the circular economy, alternative fuels, and waste management frameworks, among others.

To achieve such challenging goals Cementir believes that collaboration with industries, associations, governments, society, policy makers, researchers and innovators plays a fundamental role by being of crucial importance.

Cementir is collaborating with some of the major global associations with which to tackle climate change and develop innovative and sustainable solutions. Furthermore, at the local level, subsidiaries are also involved in specific business associations, according to the business in which it operates.

Cementir is a member of the **Global Cement and Concrete Association (GCCA)**, with the aim of fostering innovation and collaboration with industry associations and inspiring architects, engineers and innovators across the globe and along the length of the built environment value chain. Through the GCCA, in 2019, Cementir joined Innovandi, a network connecting cement industry and scientific institutions to drive new ways of working and innovations, with the contribution of several representatives. Cementir is also involved in specific working groups arranged by the GCCA for the development of sector guidelines concerning the definition of a net zero roadmap, the management of health and safety and ESG reporting.

In February 2024, the **Science Based Targets initiative (SBTi)** validated Cementir's CO_2 emission reduction targets, judging them to be consistent with the 1.5 °C scenario see paragraph "Science Based Targets Initiative (SBTi)".

Cementir is a member of the **European Cement Research Academy (ECRA)**.

The ECRA's most important research projects are related to carbon capture and storage (CCS) technology.

The Group is also a member of the **CEMBUREAU (European Cement Association)**, through which it is directly involved in dedicated working groups that are participating in advocacy regarding new legislation, as well as providing feedback to the EU Commission concerning the EU Taxonomy, CSRD (Corporate Sustainability Reporting Directive) and with the aim of supporting the sustainability agenda of the cement industry.

In CEMBUREAU, Cementir participates in the following bodies:

- Board;
- Climate & Energy;
- Resources and Processes;
- Health & Safety;
- Markets and Products.

Finally, since November 2019, through the Danish subsidiary, Aalborg Portland, the Group has been involved in the most ambitious CO_2 reduction project ever sponsored by a national government. In autumn 2019, the Danish government made a broad political agreement with all political parties, including one at the parliamentary level, on a binding climate law with the target of reducing Danish CO_2 emissions by 70% by 2030 compared with the 1990 baseline. The Chief Commercial Officer of Aalborg Portland is leading the climate partnership for Danish energy-intensive industry. The working group will provide the Danish government with a technical forecast of all potentially achievable CO_2 reductions and will define the prerequisites (policy, research, innovation, subsidies, etc.) for such reductions.

Cementir's approach to taxes

The Cementir group adopts a decentralized tax management model with reference to the local tax compliance where all the associated companies manage locally their own tax obligations in accordance with the respective regulations.

Global, complex or extraordinary tax matters are then coordinated centrally, such as transfer pricing policy and extraordinary operations, with the support of third-party consultants' companies.

Local Chief Financial Officers and Finance Managers have been invited to engage first-class tax consultants to enhance the level of competences required by the local operations and to be consistently up to date with the evolution of local laws and regulations.

The Cementir group does not include companies or branches located in so called tax heavens or in any case in countries with a reduced direct or indirect taxation and does not adopt aggressive tax planning strategies consisting of incorporation of artificial schemes and entities nor tax-driven transactions in order to obtain tax savings and advantages.

As far as commercial transactions are concerned, from a transfer pricing perspective, group's guidelines were introduced in order to comply with various countries requirements.

Given the internationalization of Cementir group, the global approach to tax is inspired by the guidelines provided by OECD and by the application of the Treaties for the avoidance of double taxation, where applicable.

The Cementir group manages its approach to tax with full transparency and collaborative approach, by complying with the local legislation of the various countries in which the Group operates.

Tax risks may lead to a negative effect on the business goals of the organization and/or to financial or reputational damages.

In this respect, tax risks are in the scope of the Cementir group's risk management framework. Tax risks are then monitored within the group risk management processes and a dedicated set of controls and testing instruments are dedicated to local tax compliance matters.

Main purpose is to control and limit those risks and to avoid possible situations conflicting with local authorities' interpretation of tax regulations.

In addition, as already mentioned in the paragraph 'The Code of Ethics' a whistleblowing system has been in place since 2013, which can be used to report breaches of the principles and rules set out in the Code of Ethics and the policies adopted by the Group, or to report non-compliance with laws and regulations.

The specific and qualified tax knowledge at associated companies' level and the recourse to tier 1 tax consultants, contribute to the proper management of the tax risk within the group as well as to the alignment of the tax approach to the requirements of the countries in which the group operates.

The Cementir group maintains relationships with local tax authorities with respect to information on rules interpretation, contacts during tax audits / inspections as well as ruling procedure, where appropriate.

Local Chief Financial Officer / Finance Manager address these situations with a fully transparent and collaborative approach as well as with a strong focus on the group's business and on the business, model adopted in order to avoid any sort of misinterpretation of group and associated companies' behaviours.

The Group recognizes the relevance of a transparent management of tax issues, also given its global presence and for this reason, in the next page please see the quantitative information concerning the 'country-by-country' reporting.

Country	Description	N. employees	Revenues from third-party sales (EUR) [1]	Revenues from intra-group transactions with other tax jurisdictions (EUR)	Profit/loss before tax (EUR)	Tangible assets other than cash and cash equivalents (EUR)	Corporate income tax paid on a cash basis (EUR)	Corporate income tax accrued on profit/loss (EUR)
Italy	Sales, marketing or distribution; Administration, management or support services; Holding of shares or other equity instruments; Other	34	33521471	115074000	10353000	2813035	-1327813	-3411000
Holding	Ownership or management of intellectual property rights; Administration, management or support services; Internal group financing; Ownership of shares or other equity instruments	44	0	0	-27250000	17330931	0	2815000
Australia	Sales, marketing and distribution of cement.	5	21401271	0	1113000	439683	-337261	-348.000
Belgium	Manufacturing of cement and concrete; sales, marketing or distribution.	439	264104084	58773000	56228000	357392863	-17128002	-16.902.000
China	Manufacturing of cement; sales, marketing or distribution.	223	55097046	10000	8703000	34350763	-1739194	-1.149.000
Denmark	Ownership and management of intellectual property rights; Manufacturing or production of cement and concrete; sales, marketing or distribution; Internal group financing; Holding of shares or other capital instruments.	794	407383322	70360000	121040000	248482147	-28753299	-25.870.000
Egypt	Manufacturing of cement; Sales, marketing or distribution.	73	33686162	12578000	39413000	16431500	-2548416	-5.449.000
France	Manufacturing of concrete; sales, marketing or distribution.	33	97370821	6000	3834000	7070391	-1313214	-973.000
Iceland	Sales, marketing and distribution of cement.	10	20459764	0	1570000	1987975	-106467	-313.000
Malaysia	Manufacturing of cement; sales, marketing or distribution.	191	28038632	15561000	1370000	31629503	-998497	-909.000
Norway	Manufacturing of concrete; sales, marketing or distribution.	115	93294252	0	-4924000	26294888	0	0
Poland	Sales, marketing and distribution of cement.	8	28848613	40000	1053000	635009	-203811	-196.000
Russia	Sales, marketing and distribution of cement.	0	0	0	0	0	0	-
Spain	Holding of shares or other capital instruments.	0	0	0	-321000	0	-2265037	-720.000

Sweden	Manufacturing of concrete; sales, marketing or distribution.	110	45377925	2172000	3031000	19587178	-943974	-574.000
Türkiye	Manufacturing of cement and concrete; sales, marketing or distribution; administration, management or support services; Holding of shares or other capital instruments.	805	376909976	14263000	63926000	258180414	-6564227	-7.481.000
UK	Waste management and recycling. Holding of shares or other capital instruments.	0	0	0	0	0	0	-
USA	Manufacturing of cement; sales, marketing or distribution; Holding of shares or other capital instruments.	198	181450046	1253000	5753000	84273822	-1155158	-935.000
Total		**3004**	**1653421914**	**175016000**	**301789000**	**1086756136**	**-64056557**	**61.819.000**

APPENDIX

Overview of all reported disclosure requirements identified as material

ESRS reference table

In our sustainability report, we have adhered to the Disclosure Requirements stipulated by ESRS as displayed below. The following content index illustrates the locations where the lists of Disclosure Requirements can be found. Some of these have been incorporated by reference.

ESRS Code	ESRS Description	Reference(s) - page	Notes, if any	Derived from other EU legislation
2 BP-1	General basis for preparation of the sustainability statement	127-128		
2 BP-2	Datapoints that derive from other EU legislation	190-196		
2 GOV-1	The role of the administrative, management and supervisory bodies	151-152		
2 GOV-1	Board's gender diversity paragraph 21 (d)	152-154		X
2 GOV-1	Percentage of board members who are independent paragraph 21 (e)	151-152		X
2 GOV-4	Statement on due diligence paragraph 30	158		X
2GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	156-157		
2 GOV-3	Integration of sustainability-related performance in incentive schemes	157-158		
2 GOV-4	Statement on sustainability due diligence	157-158		X
2 GOV-5	Risk management and internal controls over sustainability reporting	158-160		
2 SBM-1	Strategy, business model and value chain (products, markets, customers)	143-146		
2 SBM-1	Strategy, business model and value chain (headcount by country)	143-146		
2 SBM-1	Strategy, business model and value chain (breakdown of revenue)	145		
2 SBM-2	Interests and views of stakeholders	146-149		
2SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	164-172		
2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	161-163		
2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	190-196		
2 GOV-3	Integration of sustainability-related performance in incentive schemes	197		
E1-1	Transition plan for climate change mitigation	198-201		
E1-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	201		X

E1-2	Policies related to climate change mitigation and adaptation	216-217		
E1-3	Actions and resources in relation to climate change policies	217-219		
E1-4	Targets related to climate change mitigation and adaptation	217		
E1-4	GHG emission reduction targets paragraph 34	219-223		X
E1-5	Energy consumption and mix	217-219		
E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	217-219		X
E1-5	Energy consumption and mix paragraph 37	217-219		X
E1-5	Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	219		X
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	219-223		
E1-6	Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	219-223		X
E1-6	Gross GHG emissions intensity paragraphs 53 to 55	223		X
E1-8	Internal carbon pricing	223-225		
E2-1	Policies related to pollution	224-225		
E2-2	Actions and resources related to pollution	225-226		
E2-3	Targets related to pollution	226-227		
E2-4	Pollution of air, water and soil	227-229		
E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	227-229		X
E3-1	Policies related to water and marine resources	229-230		
E3-1	Water and marine resources paragraph 9	229		X
E3-1	Dedicated policy paragraph 13	229-230		X
E3-2	Actions and resources related to water and marine resources	230-232		
E3-3	Targets related to water and marine resources	232-233		
E3-4	Water consumption	233-236		
E3-4	Total water recycled and reused paragraph 28 (c)	236		X
E3-4	Total water consumption in m^3 per net revenue on own operations paragraph 29	235		X
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	237-238		
2- SBM 3	E4 paragraph 16 (a) i	239		X
2- SBM 3	E4 paragraph 16 (b)	239		X
2- SBM 3	E4 paragraph 16 (c)	239		X
E4-2	Policies related to biodiversity and ecosystems	247-249		

E4-2	Sustainable land / agriculture practices or policies paragraph 24 (b)	239		X
E4-2	Sustainable oceans / seas practices or policies paragraph 24 (c)	239		X
E4-3	Actions and resources related to biodiversity and ecosystems	249-253		
E4-4	Targets related to biodiversity and ecosystems	253-254		
E4-5	Impact metrics related to biodiversity and ecosystems change	253-254		
E5-1	Policies related to resource use and circular economy	257		
E5-2	Actions and resources related to resource use and circular economy	257-258		
E5-3	Targets related to resource use and circular economy	258-259		
E5-4	Resource inflows	259-261		
E5-5	Resource outflows	261-262		
E5-5	Non-recycled waste paragraph 37 (d)	262		X
E5-5	Hazardous waste and radioactive waste paragraph 39	262		X
2- SBM3	Risk of incidents of forced labour paragraph 14 (f)	277-280		X
2- SBM3	Risk of incidents of child labour paragraph 14 (g)	277-280		X
S1-1	S1-1 – Policies related to own workforce	281-285		
S1-1	Human rights policy commitments paragraph 20	286		X
S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	286		X
S1-1	processes and measures for preventing trafficking in human beings' paragraph 22	286-287		X
S1-1	workplace accident prevention policy or management system paragraph 23	286-288		X
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	290		
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	294-295		
S1-3	Grievance/complaints handling mechanisms paragraph 32 (c)	294-295		X
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	295-296		
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	296-297		
S1-6	Characteristics of the undertaking's employees	297-300		
S1-7	Characteristics of non-employees in the undertaking's own workforce	300		

S1-8	Collective bargaining coverage and social dialogue	300-301		
S1-9	Diversity metrics	301-303		
S1-10	Adequate wages	303		
S1-11	Social protection	303-304		
S1-12	Persons with disabilities	304		
S1-13	Training and skills development metrics	304-307		
S1-14	Health and safety metrics	307-311		
S1-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	310		X
S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	310		X
S1-15	Work-life balance metrics	312-314		
S1-16	Remuneration metrics (pay gap and total remuneration)	313-314		
S1-16	Unadjusted gender pay gap paragraph 97 (a)	313-314		X
S1-16	Excessive CEO pay ratio paragraph 97 (b)	102		X
S1-17	Incidents, complaints and severe human rights impacts	315		
S1-17	Incidents of discrimination paragraph 103 (a)	315		X
S1-17	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	315		X
2 SBM-2	Interests and views of stakeholders	278		
2 SBM3	Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	278		X
2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	278		
S2-1	Policies related to value chain workers	317-318		
S2-1	Human rights policy commitments paragraph 17	317-318		X
S2-1	Policies related to value chain workers paragraph 18	317-318		X
S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	317-318		X
S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	317-318		X
S2-2	Processes for engaging with value chain workers about impacts	318		
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	319-320		
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	321		

S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	321		X
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	321		
2 SBM-2	Interests and views of stakeholders	278		
2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	278		
S3-1	Policies related to affected communities	323		
S3-1	Human rights policy commitments paragraph 16	323		X
S3-1	non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	323		X
S3-2	Processes for engaging with affected communities about impacts	324		
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	324		
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	324-325		
S3-4	Human rights issues and incidents paragraph 36	324-325		X
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	325		
2 SBM-2	Interests and views of stakeholders	278		
2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	278		
S4-1	Policies related to consumers and end-users	326-327		
S4-1	Policies related to consumers and end-users paragraph 16	326-327		X
S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	326-327		X
S4-2	Processes for engaging with consumers and end-users about impacts	327-329		
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	329-330		
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	330		
S4-4	Human rights issues and incidents paragraph 35	330		X

S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	330		
2 GOV-1	The role of the administrative, supervisory and management bodies	331		
2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	331		
G1-1	Business conduct policies and corporate culture	331-333		
G1-1	United Nations Convention against Corruption paragraph 10 (b)	331-333		X
G1-1	Protection of whistle- blowers paragraph 10 (d)	331-333		X
G1-3	Prevention and detection of corruption and bribery	333-335		
G1-4	Incidents of corruption or bribery	335-336		
G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	335-336		X
G1-4	Standards of anti- corruption and anti- bribery paragraph 24 (b)	335-336		X

The following DRs have not been included because the Group has decided to omit the information for this year, as defined in Appendix C ESRS 1, or because they resulted as not material for Cementir.

ESRS Code	ESRS Description	Reason for exclusion
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not applicable, because the Group is not working with carbon credits
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase-in option
E2-6	Anticipated financial effects from pollution-related impacts, risks	Phase-in option
E2-5	Substances of concern and substances of very high concern	Not material
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Phase-in option
E4-6	Anticipated financial effects from biodiversity and ecosystem-related impacts, risks and opportunities	Phase-in option
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phase-in option
G1-2	Management of relationships with suppliers	Not material
G1-5	Political influence and lobbying activities	Not material
G1-6	Payment practices	Not material

ENVIRONMENTAL INFORMATION

E1 CLIMATE CHANGE

Governance

ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

Cementir adopts a competitive remuneration system which guarantees a balance between corporate strategic objectives and recognition of the merits of Group employees. By using variable short and medium/long term remuneration components, the Policy is designed to align staff interests with the pursuit of the priority objective – value creation – and the achievement of financial and sustainability objectives.

This objective is also pursued by linking a significant portion of remuneration to the achievement of defined performance targets, by means of both the short-term incentive scheme (STI) and the long-term incentive scheme (LTI).

In 2024, within the STI Program, which is fully integrated in the Performance management process, the Group continued to enhance the ESG objectives at all levels of the organization. The ESG objectives are included in the STI Program of all executives and middle management of the Group.

Particular attention was directed to the issues of CO_2 emissions reduction, sustainability Capex directly related to the Taxonomy (please refer to the section Taxonomy) and Occupational H&S. Nevertheless, there are also objectives related to biodiversity, ISO certification, circularity, clinker factor reduction, human capital and development and water consumption as represented in the following table.

The remuneration of the whole C-level is strictly linked to ESG topics. Occupational Health & Safety target and CO_2 emissions reduction target are included in the STI program of all C-level employees. Specifically, these KPIs account for 15% - 20% of their remuneration. With specific reference to KPI connected to the Climate Change and its CO2 emission, KPIs are set and connected to the same metrics used in the CSRD for the CO2 equivalent emissions. Therefore, ESG related issues have a consistent and specific weight in determining the variable remuneration of senior executives.

The LTI Plan consists of three three-year cycles, each providing for the payment of an incentive subject to the achievement of performance targets at the end of the performance period. This plan ensures the long-term retention of a selected group of Group managers in strategic positions.

The Plan proposed the following objectives:

- allow beneficiaries to focus on medium/long-term objectives to create sustainable value over time in line with the Company's strategic objectives;
- act as a tool for retaining beneficiaries;
- align compensation packages with market practices.

With reference to the incentive systems, currently there are none for the members of the Board. The only recipient of an STI plan is the President and CEO, but at present, no ESG objectives are foreseen.

The Group will evaluate in the coming years the possibility of extending this incentive system to the Board as well.

Strategy

E1-1 Transition plan for climate change mitigation

Task Force on Climate-related Financial Disclosures – TCFD

Overview

The Task Force's report establishes recommendations for disclosing clear, comparable and consistent information about the risks and opportunities presented by climate change. Their widespread adoption will ensure that the effects of climate change become routinely considered in business and investment decisions. Adoption of these recommendations will also help companies better demonstrate responsibility and foresight in their consideration of climate issues. That will lead to smarter, more efficient allocation of capital, and help smooth the transition to a more sustainable, low-carbon economy' (Michael R. Bloomberg, Chairman, TCFD).

Cementir is publicly committed to adopting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board, which in June 2017 published specific recommendations for the voluntary reporting of the financial impact of climate risks. The TCFD aims to offer consistent and effective financial disclosures that allow investors and other stakeholders to assess the climate risks faced by companies and to take appropriate actions.

Cementir identifies, assesses and manages climate change risks alongside all other types of risk as an integral part of its Risk Management Framework. Climate risks and opportunities are monitored in a structured manner consistent with the TCFD.

In 2022, as part of TCFD assessment, Cementir commissioned Standard & Poor's (S&P) to conduct a gap assessment of its existing climate-related disclosures. According to the analysis performed by S&P, Cementir achieved a total score of 100% on the overall assessment, which represent a complete level of disclosure and transparency on TCFD metrics.

This chapter follows the structure of the TCFD recommendations around four thematic areas that represent core elements of how organization operate: governance, strategy, risk management and metrics and targets.

Governance

In the Cementir Group, the Sustainability strategy receives appropriate board and management attention.

Governance – The organisation's governance around climate-related risks and opportunities

RECOMMENDATIONS OF THE TCFD	DISCLOSURE
a) Describe the Board's oversight of climate-related risks and opportunities	Chapter: ESRS 2 "General Information"
b) Describe management's role in assessing and managing climate-related risks and opportunities	Chapter: ESRS 2 "General Information"

In the chapter ESRS 2 General Information, the description of the different governing bodies includes useful clarifications of the specific nature of their climate-related accountabilities.

Strategy

In view of the significance of climate change for our business, Cementir has developed the Sustainability Strategy.

Cementir described how climate-related issues may affect the organisation's business, strategy and financial planning over the short, medium, and long term. The three-time horizons can be summarised as follow:

- The short term (1-3 years), in which sensitivity analyses based on the Industrial Plan presented to investors can be performed.
- The medium term (until 2030) is a time horizon beyond the Industrial Plan but addressed by the Cementir Climate Change Strategy and its 10-year roadmap.
- The long term (2030-2050), in which chronic structural changes in the climate should begin to emerge.

Cementir's long-term sustainability strategy has been developed using a bottom-up approach in recent years. The concerned departments within the local operations, under the coordination of the Group Top Management, have translated individual concepts and notions into a unique and consistent way of thinking, defining our internal Group culture and identity, setting expectations, targets and precise commitments, along the lines mandated by the regulatory framework. Once consolidated, this basic core was then formally reviewed, signed off and validated by the Sustainability Committee and finally rolled over the concerned entities for implementation through articulated programs and specific actions due by set deadlines. Its assumptions and implications, from the basic ones to the most far-fetched ones, have been encapsulated for the first time in the Group Industrial Plan 2021-23, approved by Cementir Board of Directors in February 2021, in the Group Consolidated Financial Statements and Sustainability Report for year 2020, approved by the Shareholder Meeting in April 2021.

In addition, the Group regularly assesses current and potential impacts of climate-related risks and opportunities on the business and consequently updates its strategy and its financial planning.

Strategy – Current and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning

RECOMMENDATIONS OF THE TCFD	DISCLOSURE
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Chapter: E1 Climate Change
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Chapter: E1 Climate Change
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2° or lower scenario	Chapter: E1 Climate Change

Risk management

Cementir identifies, assesses and manages climate change risks and opportunities alongside all other types of risk as an integral part of its Risk Management Framework, which is subject to continuous improvements.

Risk management – Identification, assessment and management of climate related risks

RECOMMENDATIONS OF THE TCFD	DISCLOSURE
a) Describe the organization's processes for identifying and assessing climate-related risks	Chapter: E1 Climate Change
b) Describe the organization's processes for managing climate-related risks	Chapter: E1 Climate Change
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Chapter: E1 Climate Change

Metrics and targets

The Group has identified four pillars that represent the core principles that have inspired the company's sustainability strategy. The targets are related to the efforts by Cementir to adopt all necessary measures and the most innovative technological solutions to minimise the impact of our business on the environment; create a healthy, safe and inclusive work environment; respect human rights and create a constructive and transparent relationship with local communities and business partners.

Metrics and targets – used to assess and manage relevant climate-related risks and opportunities

RECOMMENDATIONS OF THE TCFD	DISCLOSURE
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Chapter: E1 Climate Change
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Chapter: E1 Climate Change
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Chapter: E1 Climate Change

Our sustainability commitment timeline since 2019

2019

- **New organization** and Sustainability Governance with **Group Sustainability Committee** within Aalborg Portland Holding A/S (Danish subsidiary)
- Definition of **26 ESG objectives**
- Shift from mandatory reporting to ESG voluntary disclosure

2020

- Integration of Sustainability into the **Corporate Strategy** with **2030 Roadmap** on CO_2 emissions reduction
- 2050 **Net Zero** ambition
- **Human rights** formal monitoring

CDP DISCLOSER 2020

B Rating – Climate Change

Upgraded from F in March 2021

2021

- Launch of **FUTURECEM®** on the market
- Cementir joins the **European Climate Pact** against climate change
- **Science Based Target initiative (SBTi)** validated our "well below 2°C" emission reduction objectives

SCIENCE BASED TARGETS

Target validation in July 2021

- **Group Sustainability Committee** within Cementir Holding Board of Directors
- **Scope 3** emissions assessment
- First **CDP water security** questionnaire filed
- Non-financial KPIs embedded into short-term incentive plan

CDP DISCLOSER 2021

A-

Climate Change

CDP DISCLOSER 2021

B-

Water Security

2022

- All cement plants ISO 45001- certified
- **UN Global Compact** Commitment
- **Wash Pledge.** Safe Water, Sanitation and Hygiene at the Workplace
- Group Guidelines for developing and implementing **biodiversity** plans
- **Diversity, Equity and Inclusion** assessment

CDP DISCLOSER 2022

A-

Climate Change

CDP DISCLOSER 2022

A-

Water security

2023

- **UN Global Compact** . Submission of first CoP (Communication on Progress).
- **Science Based Target initiative (SBTi)** Filed a commitment to be aligned to 1.5°C SBTi scenario
- **Power Purchase Agreement (PPA).** The Group signed its first Long-term contracts with renewable energy generators for direct purchase of electricity from renewable projects

CDP DISCLOSER 2023

A-

Climate Change

CDP DISCLOSER 2023

A-

Water Security

2024

- **Carbon Capture Project (CCS) in Aalborg.** Aalborg Portland and Air Liquide have been selected by the European Commission to receive a €220 million grant for the installation of a Carbon Capture and Storage (CCS) system at the Aalborg plant, as part of the ACCSION project. Scheduled to be operational by the end of 2029, ACCSION is expected to prevent 1.5 million tons of CO2 emissions annually..
- **Science Based Target initiative (SBTi)** Cementir Holding obtains SBTi validation for its climate targets being consistent with the 1.5°C scenario
- **CCB kiln 4 upgrading.** The upgrade of Kiln 4 at the Belgian plant will significantly increase the alternative fuel substitution rate from the current 40% to over 70%. The increased use of biomass will contribute to a substantial reduction in CO2 emissions
- **Development of D-Carb®** which is a new umbrella brand for white low-carbon cements, supporting our white cement decarbonization efforts. D-Carb® first product, CEM II/A-LL 52.5R, matches a lower carbon footprint with 15% lower CO2 emissions compared to Aalborg White® CEM I

CDP A List 2024

A Climate Change

CDP DISCLOSER 2024

A- Water Security

Cementir Roadmap 2030

Our 2030 commitment in numbers

Over the last few years, Cementir has been actively committed to pursuing a programme inspired by the principles of the circular economy, which envisages a series of initiatives focused on reducing the environmental impact of its operations and on developing less CO_2-intensive products.

Cementir identifies, assesses and manages climate change risks alongside all other types of risk as an integral part of its Risk Management Framework. Climate risks and opportunities are monitored in a structured manner consistent with the TCFD.

The Group has defined a Roadmap to 2030 that will allow for the constant reduction of CO_2 emissions per ton of cement.

The implementation of the Roadmap is proceeding as planned. In 2024, emissions per ton of grey cement were 632 kg, down 12% compared to 2020, while emissions per ton of white cement were 860 kg, down 6% compared to 2020.

The Group has focused its research activity on the testing, through pilot projects, of new technologies for carbon capture and storage (CCS).

The Plan envisages the implementation of a CCS system in Aalborg with a capacity to capture 1.4 million tons of CO2 annually, in 2030, with which the Group will reduce Scope 1 emissions per tonne of grey cement to 404 kg, with an emission level below the limits required by the European Taxonomy and equal to a reduction of 44% compared to 2020 levels.

For white cement, which is a niche product for specific applications, with a market equal to 0.5% of world production, Scope 1 emissions will be reduced to 716 kg per tonne of product. The reduction will also be achieved by replacing traditional fuels with ones with lower emissions, in particular natural gas and alternative fuels such as biomass, and by replacing clinker with mineral additives, such as limestone and calcined clay.

For the sake of completeness of the information provided, please note that Cementir is excluded from the EU Paris-aligned Benchmarks.

With reference to potential ‘locked-in’ GHG emissions, it is specified that finished products do not have blocked emissions. In fact, when products are used by end users to produce concrete, no further GHG emissions occur. Emissions only occur during the production phase. Therefore, there are no potential impediments to Cementir achieving its emission reduction targets.

The climate change targets established by the Group have been deployed per single plant and year and were included in the 2025-2027 Industrial Plan approved by the Board of Directors of Cementir Holding on 11 February 2025.

See the table in the next page for details.

Grey Cement							
Years	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2030**
Use of traditional fuel in %	72%	70%	68%	67%	66%	54%	52%
Use of alternative fuel in %	28%	30%	32%	33%	34%	46%	48%
Clinker ratio	82%	81%	80%	79%	77%	76%	64%
CO_2 emissions (kg CO_2/ton cement) Scope 1	718	684	672	655	634	607	417
Reduction versus 2020	0%	-5%	-6%	-9%	-12%	-15%	-36%

White Cement							
Years	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2030**
Use of traditional fuel in %	85%	85%	85%	82%	80%	81%	58%
Use of natural gas%	12%	12%	13%	16%	18%	17%	36%
Use of alternative fuel in %	3%	3%	2%	2%	2%	2%	6%
Clinker ratio	82%	83%	81%	79%	80%	80%	79%
CO_2 emissions (kg CO2/ton cement) Scope 1	915	919	886	846	860	848	653
Reduction versus 2020	0%	0%	-3%	-7%	-6%	-7%	-19%

Specific targets for alternative fuels, clinker ratio and CO_2 emissions have been established to accomplish the 2030 goals.

Such targets have been deployed in every single plant and were included in the 2025-2027 Industrial Plan and in our employee short-term incentive system.

Our key actions for the 2024-2030 period

Cementir is dedicated to creating a business model that supports its sustainability goals and CO2 emission reduction targets, which have been validated by the Science Based Targets initiative (SBTi) as aligned with the goal of limiting global warming to under 1.5°C.

The 2030 Roadmap details the essential investments and initiatives needed to meet the Group's carbon reduction goals by 2030. This roadmap is a crucial element of Cementir's wider strategic objective to reach net-zero emissions by 2050.

The Roadmap 2030 is focused on the following main actions to reduce CO_2 emissions:

Reducing direct emissions Scope 1

● The Roadmap includes Scope 1 emissions reduction targets[4] of 44% to 404 kg of CO_2 per ton of grey cement, a level lower than the limits required by the European Taxonomy. For white cement, a niche product for specific applications, the plan is to reduce emissions by 22% to 716 kg per ton by 2030.

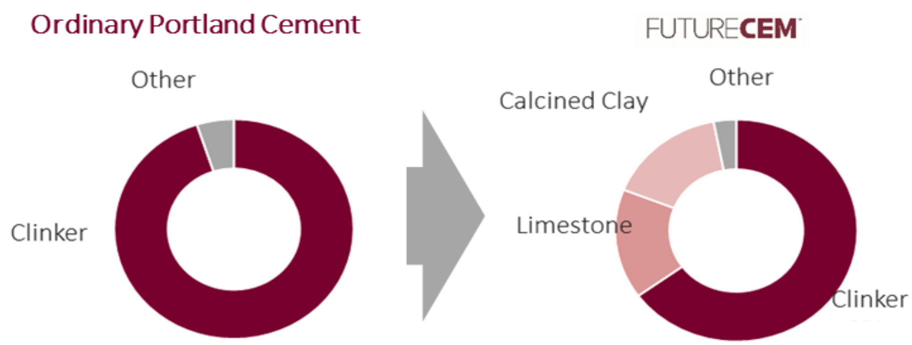
[4] The reduction targets are set with respect to 2020

Reduction of clinker content to 64% for grey cement and 79% for white cement. In the production of cement, the majority of CO_2 emissions occur when the raw materials (mainly limestone) calcinates into clinker in the kiln. The CO_2 results from the chemical reaction that starts when limestone is heating up to 1450°C. This process, called calcination, is responsible for about 70% of the total Scope 1 emissions generated by Cementir.

The Group will reduce the clinker content through:

- The use of alternative decarbonised mineral additives such as fly ash and slag.
- The development of a new low-carbon cement, FUTURECEM®, which has carbon footprint approximately 30% lower than regular Portland cement. The low-carbon benefits of FUTURECEM® have been achieved without compromising the strength and quality of the cement.

Below is the average composition of an ordinary Portland cement and of FUTURECEM®.



- The development of D-Carb® which is a new umbrella brand for white low-carbon cements, supporting our white cement decarbonization efforts.

D-Carb® first product, CEM II/A-LL 52.5R, matches a lower carbon footprint with 15% lower CO2 emissions compared to Aalborg White® CEM I.

- **Replacement of fossil fuels with alternative fuels**. Cementir will replace fossil fuels with waste-derived fuels and biomass fuels. For grey cement, by 2030, Cementir will use 48% alternative fuel, while for white cement alternative fuels will amount to 6%. The demand for consistency in the colour of white cement is much higher than for grey cement as a great deal of attention is paid to the purity of the colour. Alternative fuels affect the colour and for this reason their use is drastically limited in the production of white cement.
- **The establishment of a natural gas line to the plant located in Denmark and Belgium and the installation of multi-fuel main burners for the kilns**. For the Danish and Belgium plants, we plan a partial transition in fuel consumption from pet coke to natural gas. The switching to natural gas, a fossil fuel with emissions much lower than petcock, is a transitional solution and essential for Cementir's transition to net-zero emissions. As part of this strategy, Aalborg Portland (the Danish legal entity of Cementir) has already entered into an agreement with the Danish gas distribution company, Evida, to connect the Aalborg plant to the gas distribution network, and CCB (the Belgium legal entity of Cementir) has signed a gas transportation contract with Fluxy, which is the company that owns and operates the gas transportation network in Belgium.
- **Energy recovery**. The Aalborg plant recovers excess heat from cement production to provide district heating to the local community. The recovered thermal energy is used to provide heating to around 20,000 families in the city of Aalborg, Denmark with the aim of increasing this figure to over 30,000. The potential

annual energy recovered is around 2 million GJ and with the carbon capture project it will be increased up to 3 million GJ allowing a CO2 savings related to this heat recovery system around 187,000 tons. This calculation is based on the amount of CO2 Emissions assessed (62.40 gCO2e/MJ, 2006 IPCC Guidelines for National Greenhouse Gas Inventories) based on a natural gas boiler with 90% LHV efficiency, that is not emitted, because the needs are covered by the heat coming from the Aalborg plant.

- **Implementation of Carbon Capture and Storage technology in Aalborg**. Cementir through its fully owned subsidiary Aalborg Portland and Air liquid have launched a joint decarbonization project named ACCSION. This ambitious initiative aims to significantly reduce CO2 emissions at the Aalborg Portland cement plant, with the expectation of avoiding over 1.4 million tons of CO2 emissions per year. The project has garnered substantial support, being selected by the European Commission to receive 220 million euros under the EU Innovation Fund.

Reducing indirect emissions Scope 2

- **Use of electricity from renewable sources**: through installation of photovoltaic panels and windmill or by increasing the purchase of electricity from renewable sources from third parties through PPA.

Reducing indirect emissions Scope 3

Scope 3 emissions include all indirect emissions not covered under Scope 1 (direct emissions from owned or controlled sources) and Scope 2 (indirect emissions from purchased electricity, steam, heating, and cooling). These emissions span the entire value chain, encompassing both upstream and downstream activities. Examples include emissions from the supply chain, extraction and production of purchased materials and fuels, and transportation. For Cementir, Scope 3 emissions represent approximately 25% of its total carbon footprint.

Cementir has set an ambitious target to reduce Scope 3 emissions by 23% compared to 2021 levels. Significant progress has already been achieved: by 2024, CO2 emissions per ton of purchased clinker and cement were reduced to 830 kg, down from 873 kg in 2021.

	Unit	2024	2023	2022
Physical intensity Scope 3	Kg Co2/ton Kg of purchased clinker and cement	830	836	876

Scope 3 emissions are a cornerstone of Cementir’s Climate Transition Plan, which aims to achieve net-zero greenhouse gas (GHG) emissions across its entire value chain by 2050. To support this goal, Cementir has intensified collaboration with its suppliers through initiatives like the CDP Supply Chain program. These efforts enhance transparency regarding suppliers’ emission reduction measures and encourage active steps to lower their carbon footprints.

In alignment with the European Carbon Border Adjustment Mechanism (CBAM), Cementir introduced new requirements in late 2023. Non-European suppliers of clinker and cement are now obligated to disclose their Scope 1 and Scope 2 emissions directly to Cementir. In cases of non-compliance, Cementir’s Supply Chain team works closely with suppliers to ensure the necessary data is provided.

Currently, suppliers report this information through self-assessments. However, Cementir plans to implement third-party verification of these disclosures in the near future, in accordance with EU guidelines. This step will ensure greater accuracy, reliability, and compliance with regulatory standards.

Starting from 2021, the CO_2 emissions reduction targets have been validated by the Science Based Targets Initiative (SBTi) and, as of February 2024, they have been deemed consistent with the 1.5°C scenario. To ensure targets remain aligned with the most recent climate science, Cementir will be required to review if targets meet SBTi criteria and, if necessary, update and revalidate its targets every five years from the date of the original target approval.

For further information on the progresses achieved by the Group in relation to environmental targets and actions previously discussed, please refer to the section "*Sustainability Targets*".

Details of the main projects participated by Cementir are provided in the following paragraphs.

Carbon Capture Technologies currently investigated by Cementir

Cementir Group has assembled a dedicated team focused on advancing the implementation for carbon capture at its facility in Aalborg, Denmark and in CCB Belgium.

Indeed, the Group is actively involved in several research projects focused on advancing the implementation of Carbon Capture, Utilisation, and Storage (CCUS) within its operations.

These projects can be categorised into three types.

Firstly, techno-economic assessments explore different technologies suitable for CO2 capture, offering preliminary insights into the potential configurations of carbon capture plants at various capacities in select facilities.

Secondly, pilot projects are under way to capture CO2 at a small scale, facilitating the testing of diverse technologies and enhancing our understanding of flue gas behaviour under different methods.

Lastly, the company is actively involved in projects dedicated to developing value chains, fostering research and development efforts in transport and permanent storage activities in North Jutland.

This multifaceted approach demonstrates Cementir Group's comprehensive commitment to making progress in reducing its CO_2 emissions.

The next section will examine the specifics of each project.

ACCSION

Purpose

The project aims to establish one of Europe's first full onshore carbon capture, transport, and storage value chain using innovative, reliable, and efficient technologies. This project seeks to capture 1.4 million tons of CO_2 annually from the Aalborg Portland cement plant and supplying recovered heat from the capture process. Planned to be operational by the end of 2030, ACCSION aims to deliver 113% of GHG emissions avoidance over its first ten years of operations, playing a critical role in Denmark's GHG emissions reduction goals. By 2030, Aalborg Portland aims to become Europe's first net-zero cement plant producing grey and white cement, leveraging on capturing and storing the biogenic CO_2 fraction, which offsets any remaining fossil emissions. The project has been awarded funding from the European Union's Innovation Fund.

Grant Amount

€ 220 million from the EU Innovation fund

Start and end date

2025 to 2030

Partners

Cementir Holding-Aalborg Portland, Air Liquide

CASPER

Purpose

The project aims to demonstrate the full CCS value chain from a cement plant. This will be done by capturing and processing at least 20 tons of CO_2 from the flue gas during a campaign in 2024. Measuring the quality of the CO_2 and compare with existing standards relevant in 2024. In addition, evaluating the effect of impurities on CO_2 transportation in a new 50 m long CO_2 pipe test facility to prepare for CO_2 infrastructure that can be implemented in 2025.

Total budget of the project

The total budget is approximately € 2 million of which € 600,000 is funded by the project partners, including Cementir with the rest funded by the INNO-CCUS partnership funded by the Danish Innovation Fund.

Start and end date

2024 to 2026

Partners

Cementir Holding-Aalborg Portland, Technical University of Denmark-DTU, Pentair, Teknologisk Institut, Dansk Gasteknisk Center, EVIDA, Gas Storage Denmark

CORT

Purpose

The aim of the project is investigating various advanced amine solvents for carbon capture and new heat integration methods (heat pumps). Specifically, the aim is to find the best suited solvents for different carbon capture cases.

For additional information, please see [Carbon capture Open tests and Review of Technologies (CORT) - Center for Energy Resources Engineering (dtu.dk).]

Total budget of the project

The total funds for the project are € 2.6 million of which € 150,000 is funded by Cementir with co-funding from the INNO-CCUS partnership funded by the Danish Innovation Fund.

Start and end date

01-08-2022 - 31-07-2025

Partners

Aalborg Portland, Pentair, Danish Technical University, Chemistry, Ørsted, Aalborg University, FORCE.

Description of scope, content and results

A test unit from the Danish Technical University (DTU) was established at the Aalborg Portland plant in October 2022 and it was removed in October 2023. Conclusions from gas analysis and gas purity measurements obtained and tests completed. Results for a broader audience have been shared in April 2024 confirming the expectation of the Program.

ConsenCUS

Purpose

Show how a net-zero-carbon industry can be achieved by:

• Demonstrating the technical and economic viability of green electricity-based, energy-efficient CCU innovations in an industrially relevant environment

• Investigating how CO2 networks in Northern Europe can cost-efficiently take the captured CO2 to end users, or permanent and/or intermediate storage.

For additional information, please see https://consencus.eu/

Total budget of the project

The total funds for the project are € 13 million of which € 240,000 is funded by Cementir and co-funded by the EU-Horizon 2020 programme.

Start and end date

01-04-2020 - 31-05-2025

Partners

19 partners from 7 countries. From Denmark: Aalborg Portland, DTU, GEUS and Dansk Gasteknisk Center

Results

On November 27th 2023, the demonstration plant was inaugurated during a short ceremony headed by the H.K.H. Kronprins and now HM King Frederik X, Ms. Simson, EU-commissioner for Energy and Mr. Aagaard, Danish Minister for Energy, Climate and Utilities. The opening event was part of the 3rd international CCUS FORUM. The CCUS FORUM is a robust stakeholder consultation platform established by the European Commission in 2021.

The test unit operated at Aalborg Portland from November 2023 to February 2024.

Public deliverables of the ConsenCUS project area available at the link https://consencus.eu/results/

Portland CC

Purpose

This project is part of the CO2 Vision partnership. The aim was to provide an initial techno-economic assessment of two carbon capture technologies: the amine scrubber technology (reactive absorption-stripping) and the Chart/Sustainable Energy Solutions Cryogenic Carbon Capture™ (CCC) technology applied to one kiln in the Aalborg Portland A/S cement plant. The analysis provides an estimation of component costs for the configurations under consideration using the features available in Aspen Plus®, along with electricity cost estimations for 2021 and 2022. Moreover, a suitable formulation for estimation of the cost of CO2 was presented.

Total budget of the project

The total funds for the project were € 503,000 of which € 131,000 was funded by Cementir. This project is supported by the EU Regional Fund and the EU Social Fund, as well as the EU Just Transition Fund.

Start and end date

01/06/2022 to 31/08/2023

Partners

Aalborg Portland, Aalborg University, Aalborg CSP

Results

Both the amine scrubber technology and the Chart Cryogenic Carbon Capture™ shown to be highly effective for capturing CO2 at high purity level and capture efficiency across gaseous and liquid states. The CCC technology distinguished itself by offering a lower energy penalty, leading to reduced Opex, and presenting lower initial Capex compared to the amine scrubber technology.

During the project work some future research and development activities related to capture technologies were identified as including piping and networks between the capture process and transport and storage infrastructure. It was also suggested to look at integration of capture process with other domains e.g. district heating

For additional information see: https://www.co2vision.dk/english/

This project has been carried out as part of the activities of the public-private partnership CO2Vision. This partnership brings together local industries, educational institutions, business organisations and local government with the aim of investigating the establishment of infrastructure for CCUS in North Jutland-Denmark, including the import of CO2 for onshore and offshore storage, as well as use for production of methanol and sustainable aviation fuel.

CO2Vision partners was awarded € 12.4 million from the Danish Board of Business Development in 2022 and € 6.7 million from the EU Just Transition Fund in 2023.

The consortium partners include Aalborg University, Aalborg Portland, Labour Market Office Mid/North, Business Region North Denmark, Business House North Jutland, Energy Cluster Denmark, Evida, Green Hub Denmark, North Denmark EU Office and University College North Jutland.

GreenCem

Purpose

The core objective was to identify the most promising capture technology and make a concept study of an integrated carbon capture facility at the Aalborg Portland cement plant in terms of available thermal energy, flue gas composition and site logistics leading to the lowest possible carbon capture cost.

For additional information, please see https://greencem.dk/

Total budget of the project

The total funds for the project were € 1.5 million, out of which € 500,000 were funded by Cementir.

Start and end date

01-08-2020 - 31-07-2022

Partners

Aalborg Portland, Port of Aalborg, Aalborg Energi Holding, European Energy, Aalborg University, Cemtec Fonden (Hydrogen Valley), DFDS, Reno-Nord. COWI contributed as sub-contractor to Aalborg Portland

Results

The result of the project was a concept study for carbon capture. Two scenarios were investigated: 200,000 tons per year and 1 million tons per year captured CO_2.

For additional information please see https://greencem.dk/konference/

MADE FAST

Purpose

Prepare a technical and economic analysis to investigate the factors (environmental, social, economic, regulatory) that could influence the carbon capture and value chains for utilisation and storage of CO_2 from Aalborg Portland's cement

Total budget of the project

The total funds for the project were € 330.000 of which € 90,000 was funded by Cementir. This project was funded by the Manufacturing Academy of Denmark-MADE.

Start and end date

01-08-2020 - 31-07-2023

Partners

Aalborg Portland, Aalborg University, Manufacturing Academy of Denmark (MADE).

Results

The environmental analysis shows that it is possible to reach carbon neutrality when implementing CCUS if the cement facility operates with renewable energy and with a high share of alternative fuels. More details are provided in the following academic publication:

Preconditions for achieving carbon neutrality in cement production through CCUS

SNAM-Polimi-CCB

Purpose

Evaluation of various capture technologies: partial Oxyfuel with Hydrogen, Partial Oxyfuel with chemical absorption using amines and chilled ammonia.

Total budget of the project

N/A

Start and end date

March to December 2022

Partners

SNAM, Politecnico di Milano, CCB

Results

Advantages and disadvantages of each technology were identified taking into consideration the specific conditions at the CCB cement plant. Relevant KPIs such as Capex, Opex and cost of CO_2 avoidance were obtained for each solution. Further research suggests studying and concept design of an integrated project considering also CO2 transport and storage, leveraging on existing and announced projects (i.e. Fluxys) and continue with a feasibility study on the final solution.

CO_2 infrastructure for Belgium

The Belgian energy infrastructure company Fluxys is designing a CO2 pipeline in Belgium, collecting the needs of various emitters and routing such CO2 to different exit points. Cementir has clearly expressed its interest in being included in such an important project, aiming at optimising the method and cost of CO2 transportation and centralising liquefaction and loading facilities.

In 2022, CCB, the Belgian subsidiary of Cementir, signed a LoI (Letter of Intent) with Fluxys. In 2023, CCB and Fluxys further strengthened their partnership by signing an agreement to conduct a feasibility study. The study, which has now been received, is aimed at better understanding the full backbone of the CO2 pipeline network, including its technical, operational, and economic aspects.

For additional information about the CO_2, infrastructure proposed by Fluxys, please see the following link:

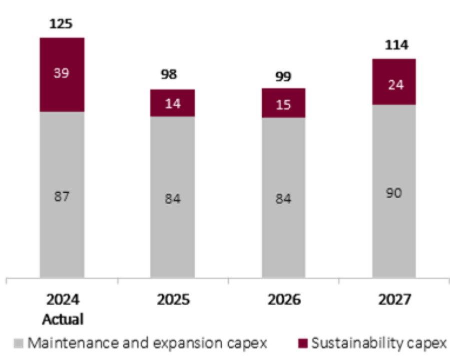
https://www.fluxys.com/en/projects/carbon-preparing-to-build-the-network

Main investments needed to achieve CO_2 reduction targets

The 2030 Roadmap describes the main investments and programmes needed to support the Group's 2030 carbon reduction targets. To foster the transition of the Group to a low carbon economy, decisions on reduction targets and investments are driven looking at a detailed scenario analysis to be aligned with cement sector target.

Over the 2025-2027 period, the Group plans to invest approximately EUR 53 million in sustainability projects, including: upgrading facilities for FUTURECEM® production, switch to natural gas in the Danish plant, carbon capture and storage (CCS) projects in Denmark and Belgium, and other initiatives to reduce climate impact in transportation, procurement, logistics and optimization of water resource usage in the production process. The ACCSION project (CCS in Denmark) has not been included in the planned EUR 53 million; it is worth to remind that the project has received a grant of EUR 220 million by the EU Innovation Fund, also not included in the Plan.

Industrial Plan 2025 – 2027: Capex



Cementir Holding's path to reach net zero emissions by 2050

2030 ROADMAP * — 2030

- **29.3% CO2 reduction** in scope 1 and scope 2 per ton of cementitious material (2021 baseline) validated by SBTi
- **23.0% CO2 reduction** in emissions per ton of purchased clinker and cement (2021 baseline) validated by SBTi
- Grey cement target scope 1: -**44%** from **718** to **404**kg CO2/ton cement equivalent
- White cement target scope 1: -**22%** from **915** to **716** kg CO2/ton cement equivalent

2050 AMBITION — 2050

NET ZERO

- Net-zero greenhouse emissions across the value chain validated by SBTi
- **96.1% CO2 reduction** in scope 1 and scope 2 per ton of cementitious material (2021 baseline)
- **90% CO2 reduction** in scope 3 (2021 baseline)
- **FUTURECEM®** and **D-Carb®** widespread use
- **100%** fossil fuels-free energy
- Implementation of Carbon Capture & Storage (CCS) technology
- **Carbon offset** as an option to compensate unavoidable residual emissions

Cementir Holding N.V. commits to achieving net-zero greenhouse gas (GHG) emissions across the value chain by 2050.

<u>2050 Targets: Scope 1 emissions</u>

Cementir will maximise existing technology to reduce Scope 1 emissions according to a net-zero pathway endorsed by the SBTi and the EU. This will require:

- Replacing fossil fuels with biomass, waste-derived fuels, CO_2-free fuels and increasing the efficiency of the kilns.
- Widespread development of FUTURECEM® to minimise clinker content in cement.
- Deployment of breakthrough carbon capture and storage/use technologies (CCUS).
- Carbon offset measures to compensate for unavoidable residual emissions.

<u>2050 Targets: Scope 2 emissions</u>

After 2030, Cementir will eliminate Scope 2 emissions by expanding renewable energy sources. The Group will use off-site opportunities, by setting up power purchase agreements and on-site opportunities, and by installing wind and solar solutions for electricity on land that it owns.

In this regard:

- in 2023 the Group signed agreements (PPA) for the subsidiary in Belgium, CCB, with Engie five-year contract to supply energy from 15 Mw wind turbine, and with Ether Energy 15 years contract to supply energy from 10 Mw solar;
- in 2023 the Group signed for the subsidiary in Belgium, CCB, a COOPERATION AGREEMENT with IPALLE SCRL (the intermunicipal association responsible for environmental protection in Wallonia Picardy) to develop a windfarm project in the Barry quarry owned by CCB. IPALLE has acquired experience in the implementation of wind farm projects as well as in the submission of applications for unique permit (environmental & urban planning/building). The project aims to install around 50 Mw wind turbine.

<u>2050 Targets: Scope 3 emissions</u>

Cementir will reduce Scope 3 emissions according to a net-zero pathway. This will require the embedding of CO_2 emissions in sourcing decisions for all purchase categories and the promotion of zero-emissions transportation solutions within our network.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Climate risks

The cement industry's ability to reduce its CO_2 emissions and respond to climate change has become a focal point for investors.

The analysis presented in this section focuses on the Group's operations, with all physical and transition risks being considered (no exclusions). These risks are assessed according to the TCFD framework.

In 2021, the Cementir Group launched a project to implement the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosure) committing to be transparent on risks and opportunities related to climate change. Cementir is also committed to ensuring the transparency of its climate-related risks and opportunities in line with the EU Taxonomy. The identification, assessment and effective management of risks and opportunities related to climate change are fully integrated into the Group's risk management process.

As suggested by the TCFD, the Group monitors the risks and opportunities arising from the evolution of transition scenarios and the evolution of physical variables. For its assessment, the Group has used the moderate scenario, and all results are described in the following pages.

Physical variables are divided into two categories of risk:

- Acute: related to the occurrence of extreme weather conditions such as cyclones, hurricanes or floods. Acute physical phenomena, in the various cases, are characterised by considerable intensity and a frequency of occurrence that is not high in the short term, but which, considering long-term scenarios, sees a clear upward trend;
- Chronic: refers to gradual and long-term changes in climate patterns (e.g., sustained high temperatures) that can cause sea-level rises or chronic heat waves.

Regarding the energy transition process, towards a progressive reduction of carbon emissions, there are risks and opportunities linked to changes in the regulatory, technological, market and reputational context. Cementir states that the transition process towards a more sustainable model, characterized by a progressive reduction of CO2 emissions, presents risks and opportunities related to changes in the regulatory and legal environment, as well as technological development trends, reputational damage and consequent market developments.

The Group has decided to align itself with the TCFD framework to clearly represent the types of risks and opportunities by indicating how each of them should be managed. The effects were assessed over three-time horizons: the short term (1-3 years), linked to the implementation of the Business Plan; the medium term until 2030 during which it will be possible to see the effects of the energy transition; the long term until 2050, during which the Group undertakes to achieve net-zero emissions throughout its value chain. As the TCFD states, the process of disclosing risks and opportunities related to climate change will be gradual and incremental from year to year.

Climate-related scenario analysis

<u>Physical climate scenarios</u>

As part of our TCFD assessment, we have evaluated the exposure of our plants to physical risks, including acute physical risks, which refers to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods and chronic physical risks which refers to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves.

The assessment was done for each of the Group's plants.

For the physical risk, we have taken alternative scenarios developed by the Intergovernmental Panel on Climate Change (hereinafter 'IPCC'[1]) and we have explored three potential futures depending on what policies governments will adopt to cut emissions:

RCP[2]	**RCP 8.5**	**RCP 4.5**	**RCP 2.6**
SCENARIO	**HIGH CLIMATE CHANGE**	**MEDIUM CLIMATE CHANGE**	**LOW CLIMATE CHANGE**
SOURCE	IPCC	IPCC	IPCC
TEMPERATURE	As likely as not to exceed 4°C	More likely than not to exceed 2°C	Not likely to exceed 2°C
DESCRIPTION	Continuation of business as usual with emissions at current rates. This scenario is expected to result in warming in excess of 4°C by 2100	Strong mitigation actions to reduce emissions to half of the current levels by 2080. This scenario is more likely than not to result in warming in excess of 2°C by 2100.	Aggressive mitigation actions to halve emissions by 2050. This scenario is likely to result in warming of less than 2°C by 2100.

Transition scenarios

Cementir assesses the resilience of its climate strategy relating transition risks with different carbon price scenario based on research by the Organisation for Economic Cooperation and Development (hereinafter 'OECD') and the International Energy Agency (hereinafter 'IEA'):

SCENARIO	HIGH CARBON PRICE SCENARIO	MODERATE CARBON PRICE SCENARIO	LOW CARBON PRICE SCENARIO
SOURCE	OECD/IEA	OECD/IEA	OECD/IEA
DESCRIPTION	This scenario represents the implementation of policies that are considered sufficient to reduce greenhouse gas emissions in line with the goal of limiting climate change to 2°C by 2100.	This scenario assumes that policies will be implemented to reduce greenhouse gas emissions and limit climate change to 2°C in the long term, but with action delayed in the short term. Countries with Nationally Determined Contributions that are not aligned to the 2° C goal in the short term are assumed to increase their climate mitigation efforts in the medium and long term.	This scenario represents the full implementation of Country Nationally Determined Contributions under the Paris Agreement. Prices in this scenario are considered likely to be insufficient to achieve the goal of the Paris Agreement.
CARBON PRICE USED IN THE SCENARIO ($/ton$CO_2$)	EU - year 2030 - 131 $ EU - year 2050 - 207 $ US - year 2030 – 131$ US - year 2050 – 207$ Asia - year 2030 – 108$ Asia - year 2050 – 189$ China - year 2030 – 98$ China - year 2050 – 186$ Middle east - year 2030 – 131$ Middle east – year 2050 – 207$ Türkiye – year 2030 – 131$ Türkiye – year 2050 – 207$	EU - 2030: 98$ - 2050: 207$ US - 2030: 66$ - 2050: 207$ Asia - 2030: 57$ - 2050: 189$ China- 2030: 49$ - 2050: 186$ Middle east - 2030:58$ - 2050: 207$ Türkiye - 2030: 41$ - 2050: 207$	EU - 2030: 41$ - 2050: 66$ US - 2030: 41$ - 2050: 66$ Asia - 2030: 35$ - 2050: 62$ China - 2030: 33$ - 2050: 62$ Middle east - 2030:41$ - 2050: 66$ Türkiye: 2030: 41$ 2050: 66$

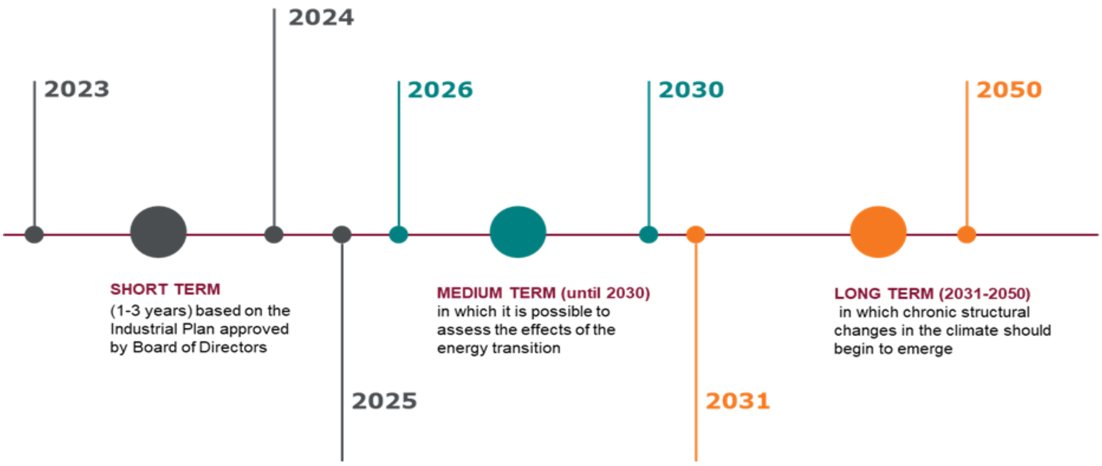
The scenario modelling approach has been adopted to test the sustainability strategy's resilience and for the identification of appropriate mitigation actions. Cementir is committed to moving towards being carbon-neutral by 2050.

The process of transition towards a more sustainable model characterized by a gradual reduction of CO_2 emissions has risks and opportunities connected both with changes in the regulatory and legal context, trends in technology development, reputational damages and the resulting market developments.

The Group has adopted a framework that highlights physical and transition risks and opportunities and indicates the management responses for each of them.

These effects can be assessed from the perspective of three-time horizons: the short term (1-3 years), assessed using sensitivity analyses based on the Industrial Plan; the medium term (until 2030), in which it is possible to assess the effects of the energy transition; and the long term (until 2050), in which the Group is committed to achieving net-zero emissions across its entire value chain.

Moreover, the Group, through research and development, is committed to producing solutions with a significantly reduced climate impact. Therefore, as of today, Cementir has no need to reconvert, upgrade or dispose of existing assets, nor to reorient the product and service portfolio to enhance the resilience of its strategy.



As declared by the TCFD, the process of disclosing information on the risks and opportunities connected with climate change will be gradual and incremental from year to year.

For further details on physical and transition risks identified leveraging on scenario analysis, please refer to the Management report section, chapter “Main risks to which the group is exposed”.

Impact, risk and opportunity management

ESRS 2 IRO-1 Description of the processes to identify and assess material climate- related impacts, risks and opportunities

For information regarding the process to identify and assess material climate-related impacts, risks and opportunities, please refer to Chapter “General Information”, sections “Impact materiality assessment” and “Financial materiality: risks and opportunities assessment”.

The cement production process is associated with environmental impacts in the form of atmospheric emissions, mainly carbon dioxide, dust, and nitrogen and sulphur oxides. Most climate experts agree that the world must take urgent action to cut CO_2 emissions and it is undeniable that cement manufacturing is a process that makes intensive use of thermal energy, releasing both direct and indirect CO_2 emissions into the atmosphere.

Cementir wants to address environmental and climate change issues by reducing CO_2 emissions, energy consumption, water consumptions and to preserve natural habitats and their biodiversity in areas surrounding our sites.

The Group analyses the environmental risks of its operations, involving management to ensure compliance with current regulations, best environmental standards and Best Available Techniques (BAT).

Cementir has taken action to guarantee that all the companies of the Group that are active in cement and concrete production will operate in the coming years with a certified Environmental Management System according to the ISO 14001 standard.

In cement, 9 out of 11 cement plants are certified ISO 14001. The Group aims at obtaining the mentioned certification for all cement plants by 2025.

In ready-mix concrete activities, companies accounting for 25% of production are ISO 14001 certified. The Company aims to certify 100% of our companies in concrete production by 2027.

The waste management company, operating in Türkiye, is already ISO 14001 certified.

In 2024, Cementir was included for the first time in CDP's prestigious "A List," recognizing the company's effective strategies and actions to mitigate climate change and promote corporate transparency. This milestone highlights the significant progress Cementir has achieved over four years, advancing from its initial "B" rating in 2020.

Additionally, Cementir has sustained its leadership in CDP Water Security, earning an A- score for the third consecutive year.

For further information on the analysis of climate-related physical and transitional risks, please refer to section "*ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model; paragraphs 18 & 19*" of this document.

E1-2 Policies related to climate change mitigation and adaptation

Cementir acknowledges its environmental responsibilities across all areas of its operations and is committed to reducing its environmental footprint, with a particular focus on addressing climate change. Climate change, along with broader environmental concerns, forms a core component of the Group's sustainability framework and strategy.

In order to manage its relevant impacts, risks and opportunities related to climate change mitigation and adaptation, Cementir has an Environmental Policy in place (please, refer to the General Information section to deep-dive), which applies to all operational activities within the Cementir Group.

Each operating company is responsible for implementing the policy's directives and guidelines as a crucial and integral component of its own Environmental Management System. These systems and policies must incorporate the principles and commitments outlined in the Group's Environmental Policy.

The Environmental Policy focus is based on three lines of action and operates on multiple fronts regarding climate change mitigation and energy efficiency:

- **Energy efficiency**

The policy aims to increase the efficient use of energy in the framework of the Energy Management System, compliant with the internationally recognized standard (i.e., ISO 50001). It promotes energy recovery and the use of renewable energy sources, thus reducing energy consumption and, consequently, CO_2 emissions.

- **Alternative fuels and raw materials**

The policy aims at increasing alternative fuels usage in cement production, such as low-carbon fuels and biomass, thus reducing environmental impact. Moreover, promotes the adoption of a co-processing and circular approach to waste as a fuel, which contributes to lower emissions compared to traditional fossil fuels.

Finally, it defines the use of decarbonized/alternative raw materials to minimize the usage of non-renewable resources.

- **Product innovation and new technologies**

The policy promotes an increase in the production of low-carbon cement such as FUTURECEM[5], encouraging the circularity and reducing emissions throughout the products' lifecycle.

It also promotes an increase in the use of concrete-based demolition waste as substitutes of natural aggregates in concrete production following our circular economy strategy.

[5] FUTURECEM® is the result of an innovative limestone and calcined clay technology which allows high clinker replacement in cement.

Additionally, the engagement and participation in new technologies implementation such as Carbon Capture, Usage and Storage in Cementir's "hard-to-abate" plants, aims at enabling the capture and storage of emitted CO_2 in the upcoming years, thereby reducing the overall carbon footprint of Cementir's products.

The adoption of innovative technologies, such as FUTURECEM cement, could make products more durable and resistant to extreme climatic conditions, indirectly contributing to climate change adaptation. For example, the use of more resilient materials could improve the resistance of buildings and infrastructure to extreme weather events.

Moreover, the reuse of demolition materials and the recycling of construction materials contribute not only to sustainability but also help reduce risks related to resource scarcity and the need to adapt to new climatic conditions, such as the scarcity of natural materials or the rising production costs due to climate change.

In this sense, such policy addresses climate change adaptation through product innovation and the adoption of circular and sustainable strategies.

These lines of action guide the CO_2 strategy of the Group to net zero by 2050, aligned with the 1.5 °C scenario defined in the Cement Sector guidance of SBTi[6].

E1-3 Actions and resources in relation to climate change policies

About actions defined in relation to climate change policies, please refer to paragraphs "*Cementir Roadmap 2030*" of the "Strategy" section, as well as "*EU Taxonomy*" paragraph.

Metrics and targets

E1-4 Targets related to climate change mitigation and adaptation

Regarding targets related to climate change mitigation and adaptation, please refer to paragraph 16 of the "Strategy" section. It has to be considered the measurement of the metric related to characteristics of own employees is not validated by an external body other than the assurance provider.

E1-5 Energy consumption and mix

Cement production requires considerable levels of energy consumption in its various processes because of the high temperatures that must be reached in the kiln (1,500°C), the electricity required to grind the product, and the quantity of material used.

Thermal energy is used in the start-up and operation of the kilns and the operation of the burners or boilers required to increase production efficiency and optimise the production process (for example, to dry raw materials and fuels).

Electricity, on the other hand, is mainly used to operate the mills that grind the raw materials, clinker and fuels.

In 2024, the cement production plants used 9.4 million MWh of thermal energy and 1.2 million MWh of electricity.

Other activities use less energy comparing with cement production, ready-mix concrete consume around 1% of total energy used by Cementir group and others consume another 1%.

In 2024, the ready-mix concrete production plants used 115,370 MWh.

In 2024, the Group significantly increased its use of renewable energy by expanding its reliance on green electricity through Power Purchase Agreements (PPAs). This achievement was made possible through new agreements signed with Engie and EtherEnergy for the Group's Belgian subsidiary, CCB.

Overall, the Group utilized 49,071 MWh of green electricity supported by PPAs, representing approximately 4% of its total electricity consumption.

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[6] SBTi - The Science Based Targets initiative drives ambitious climate action in the private sector by enabling organizations to set science-based emissions reduction targets. It's a global team comprised of people from all partner organizations - United Nations (UN) Global Compact, World Resources Institute (WRI), World Wide Fund for Nature (WWF) and Carbon Disclosure Project (CDP).

Total energy consumption	UoM	2024	2023	2022
Fuel consumption	**MWh**	**9,555,740**	**9,789,703**	**10,059,426**
Fossil fuel consumption	**MWh**	**8,240,285**	**8,718,282**	**9,050,101**
of which Coal	*MWh*	*1,739,543*	*2,122,094*	*2,125,226*
of which petroleum coke	*MWh*	*4,702,387*	*4,475,717*	*4,496,912*
of which combustible oil	*MWh*	*116,938*	*200,631*	*267,127*
of which lignite	*MWh*	*58,702*	*130,960*	*364,456*
of which diesel	*MWh*	*175,996*	*216,423*	*209,789*
of which natural gas	*MWh*	*576,543*	*527,311*	*512,206*
Fossil fraction of waste fuels	*MWh*	*870,176*	*1,045,146*	*1,074,385*
Fuel consumption from renewable sources	**MWh**	**1,315,455**	**1,071,421**	**1,009,325**
of which biofuels	*MWh*	*4,286*	*1,831*	*2,002*
Biogenic fraction of waste fuels	*MWh*	*1,311,169*	*1,069,590*	*1,007,323*
Purchased energy	**MWh**	**1,263,231**	**1,277,352**	**1,301,296**
Energy purchased from fossil sources	**MWh**	**1,144,314**	**1,161,691**	**1,168,256**
of which electricity	*MWh*	*1,143,205*	*1,160,342*	*1,166,736*
of which heat	*MWh*	*1,109*	*1,349*	*1,520*
of which cooling	*MWh*	*0*		
of which steam	*MWh*	*0*		
Energy purchased from renewable sources (Power Purchase Agreements)	**MWh**	**49,071**	**7,669**	**8,895**
of which electricity	*MWh*	*49,071*	*7,669*	*8,895*
of which heat	*MWh*	*0*	*0*	*0*
of which cooling	*MWh*	*0*	*0*	*0*
of which steam	*MWh*	*0*	*0*	*0*
Energy purchased from nuclear sources	**MWh**	**69,846**	*107,992*	*124,145*
Self-generated energy		**-**	**-**	**-**
Self-generated energy from fossil fuels	**MWh**	**-**	**-**	**-**
of which consumed	*MWh*			
of which sold	*MWh*			
Self-generated energy from renewable sources	**MWh**	**586**	**438**	**586**
of which consumed	*MWh*	*114*	*124*	*114*
of which sold	*MWh*	*472*	*314*	*472*
Total energy consumed	MWh	**10,819,557**	**11,067,493**	**11,361,013**
of which from fossil sources	*MWh*	9,384,599	9,879,973	10,218,357
As a percentage of total consumption	%	86.7%	89.3%	89.9%
of which from renewable sources	*MWh*	1,365,112	1,079,528	1,018,511
As a percentage of total consumption	%	12.6%	9.8%	9.0%
of which from nuclear sources	*MWh*	69,846	107,992	124,145
As a percentage of total consumption	%	0.6%	1.0%	1.1%
Waste energy from the process sold to third parties for district heating	*MWh*	288,819	284,442	356,422

Total energy consumption	UoM	2024	2023	2022
From fossil sources	MWh	**9,384,599**	**9,879,973**	**10,218,357**
of which consumption of coal fuels and coal products	MWh	1,798,245	2,253,054	2,489,682
of which consumption of fuels from crude oil and petroleum products	MWh	4,995,321	4,892,771	4,973,828
of which fuel consumption from natural gas	MWh	576,543	527,311	512,206
of which fuel consumption from other fossil sources	MWh	870,176	1,045,146	1,074,385
of which consumption of electricity, heat, steam or cooling from fossil sources, purchased or acquired	MWh	1,144,314	1,161,691	1,168,256

Energy intensity	UoM	2024	2023	2022
Intensity	MWh/euros	**-**	**-**	**-**
Total energy consumption	MWh	**10,819,557**	**11,067,493**	**11,361,013**
Net revenues	euros	1,686,943,385	1,694,247,000	1,723,103,000

Use of alternative fuels

The thermal energy at Cementir Group plants is generated by the combustion of fossil fuels (fuel oil, petroleum coke, coal and natural gas) and, in part, by alternative fuels.

The reduced consumption of non-renewable fossil fuels and the resulting increased use of alternative fuels is a primary aim for reducing environmental impact, particularly associated with emissions.

As discussed in more detail above, alternative fuels, in this way, plays a major role toward the reduction of Group’s environmental footprint.

By 2030, the Group plans to increase the proportion of alternative fuels in the fuel mix to 48% for producing grey cement and 6% for white cement. For white cement, the demand for consistency of colour is much higher than with grey as varying shades of white or coloured surfaces are not acceptable. For this reason, the use of alternative fuels is drastically limited in the production of white cement.

The targets have been set for each plant and intermediate targets have been defined for 2025 and 2030.

In 2024, 23% of the thermal energy needed in the cement production process has been generated from alternative fuels. The goal is to reach 32% globally; 48% alternative fuels in grey cement production and 6% in white cement production by 2030[7].

For more details regarding the KPIs related to the Group's use of alternative fuels, please refer to the Appendix section of this document.

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Cementir’s CO_2 footprint

[7] The quality requirements of white cement production make it difficult to use alternative fuels, as they affect the colour of the cement. For this reason, their use is limited.

The Group's CO_2 footprint can be described through the three different categories (Scope 1, 2 and 3 emissions) established by the GHG protocol[8].

It is specified that the emissions from Scope 1, 2, and 3 include all companies in the Group, regardless of the shareholding percentage.

Cementir follows a structured approach to conduct the calculations related to the carbon footprint, to ensure accuracy and reliability.

For plants operating under the EU Emission Trading System (ETS), measured and certified values provided by accredited laboratories are used. These values are closely monitored and comply with the rigorous standards of the ETS, ensuring that emissions data is precise and up-to-date.

For other plants or operations not covered under the ETS, according to the GNR Protocol, we use, plant specific emission factors, if reliable data are available.

Alternatively, IPCC and CSI Cement CO_2 and Energy Protocol default emission factors are used. The factors can be found on this site:

https://www.cement-co2-protocol.org/en/#Internet_Manual/constants.htm

Additionally, the Internal Audit function periodically verifies the completeness and accuracy of CO2 calculations during Environmental, Social, and Governance (ESG) audits.

Scope 1 emissions account for **71%** of Cementir's carbon footprint. Scope 1 emissions include all direct emissions from owned or controlled sources, they include:

- Direct emissions related to the calcination of limestone (process emissions);
- Direct emissions generated from the fuel used to produce the required thermal energy (fuel-related emissions) and emissions produced from fuel consumption for internal transportation, such as excavators, etc.

[8] In the case of market based, for developed energy not covered by certificates that guarantee the source and therefore the associated emissions, the residual mix factor is used where available, only if it is not available (non-European countries) the same location based factor is used.

Scope 2 emissions, which account for **4**% of the total, include indirect emissions.

For the Cementir Group, these emissions arise from the production of purchased electricity used in operations.

Scope 3 emissions cover other indirect emissions within the Group's value chain, including those from the extraction and production of purchased materials and fuels, as well as transportation. These emissions make up **25**% of Cementir's total carbon footprint.

In 2024, total CO_2 emissions (direct and indirect) amounted to 9,739,399 million tons from fossil and 437,021 from biogenic.

Emissions under the direct control of Cementir Group, i.e., Scope 1 emissions, amounted to 6,900,426 tons.

The share of biogenic emissions from Scope 1, not included in in 6,900,426 tons, amounts to 437,021 tons.

CO_2 emissions – Group	2024 (ton)	2024 (%)	2023 (ton)	2023 (%)	2022 (ton)	2022 (%)
CO_2 emissions (Scope 1)	6,900,426	71%	7,184,097	70%	7,324,884	65%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes		26%		29%		32%
CO_2 emissions (Scope2) location based	405,453	4%	424,422	4%	386,306	3%
CO_2 emissions (Scope 2) Market based	532,615		527,818		522,974	
CO_2 emissions (Scope 3)	2,495,697	25%	2,607,247	26%	3,591,439	32%
Total CO_2 emissions location based	**9,801,577**	**100%**	**10,215,766**	**100%**	**11,302,629**	**100%**
Total CO_2 emissions Market based	**9,928,738**		**10,314,318**		**11,444,141**	

Cementir's Scope 3 emissions

The emissions calculated for each Scope 3 category in 2024 are shown below.

	2024(tCO_2e)	%	Description
Purchased goods and services	1,225,411	48%	This category includes emissions related to the purchased materials such as clinker, cement, fly ashes, slag, gypsum, pozzolana etc. The calculation was made applying to quantities (tons) LCA emission factors, specific for each material. The emission factor database used for this calculation is Ecoinvent database v3.11.
Capital Goods	64,163	3%	This category includes emissions related to the production and transportation of the following capital goods: constructions, machineries, electrical and optical equipment and transport equipment. The estimation is based on average spend-based emission factors derived from the Comprehensive Environmental Data Archive (CEDA) 2024.
Fuel and energy-related activities	877,686	36%	This category includes the emissions related to the extraction, production and transportation of fuels and energy purchased by Cementir in 2024 not already accounted for in Scope 1 or 2. The calculation was made applying the well-to-tank emission factors of BEIS&DEFRA[9], 2024 and Ecoinvent v3.11 to fuels, IEA 2024, AIB, e-GRID and Ecoinvent v3.11 to electricity.

[9] DEFRA is the UK Department for Environment, Food and Rural Affairs. Please see GOV.UK (www.gov.uk).

	2024(tCO₂e)	%	Description
Upstream transportation	128,142	5%	This category includes emissions deriving from upstream transportation by external cargo ships, trucks and freight trains of raw materials, semi-products and products. The calculation considers freights (tons) and distances and uses BEIS&DEFRA 2024 emission factors, specific for the mean of transportation. The emission factors are WTW (well-to-wheel).
Waste	409	0%	This category includes emissions from external wastewater treatment. The calculation uses BEIS&DEFRA 2024 emission factors.
Business travel	3,695	0%	This category includes emissions from employee business travels. The estimation is based on average spend-based emission factors derived from the Comprehensive Environmental Data Archive (CEDA) 2024.
Employee commuting		0%	Category with negligible emissions. Most employees live close to the plants and the related emissions are estimated to be less than 1% of the total Scope 3 emissions[10].
Upstream leased assets		0%	Category with negligible emissions. According to the Cement Sector Scope 3 GHG Accounting and Reporting Guidance, developed by the Cement Sustainability Initiative, this category is considered 'not relevant' to the cement sector. Emissions due to upstream leased assets are estimated to be less than 1% of the total Scope 3 emissions.
Downstream transportation	181,162	7%	This category includes emissions deriving from downstream transportation by external cargo ships, trucks and freight trains of products. The calculation considers freights (tonnes) and distances and uses BEIS&DEFRA 2024 emission factors, specific for the mean of transportation. The emission factors are WTW (well-to-wheel).
Processing of sold products		0%	Category with negligible emissions. According to the Cement Sector Scope 3 GHG Accounting and Reporting Guidance, this category is considered 'not relevant' to the cement sector. Emissions due to the processing of sold cement products are estimated to be less than 1% of the total Scope 3 emissions.
Use of sold products		0%	Category with negligible emissions. According to the Cement Sector Scope 3 GHG Accounting and Reporting Guidance, this category is considered 'not relevant' to the cement sector. Emissions due to the direct use-phase of sold cement products over their expected lifetime are estimated to be less than 1% of the total Scope 3 emissions.
End-of-life treatment of sold products	15,029	1%	This category includes emissions from the waste disposal and treatment of products sold by Cementir in the reporting period. Emission factors are BEIS&DEFRA 2024.
Downstream leased assets		0%	Not applicable: The Cementir Group's business does not include leased assets.
Franchises		0%	Not applicable: The Cementir Group does not have franchises.
Investments		0%	Not applicable: Provision of capital or financing is not included in Cementir Group's business
TOTAL	2,495,697	100%	

Scope 3 category	2024(tCO₂e)	2023(tCO2e)	2022(tCO2e)
Purchased goods and services	1.225.411	1.264.467	2.096.568
Capital Goods	64.163	34.913	90.635
Fuel and energy-related activities	877.686	964.593	997.091
Upstream transportation	128.142	162.429	217.211
Waste	409	298	138
Business travel	3.695	1.564	3.003
Employee commuting			
Upstream leased assets			
Downstream transportation	181.162	163.640	175.053
Processing of sold products			
Use of sold products			
End-of-life treatment of sold products	15.029	15.343	11.740
Downstream leased assets			
Franchises			

[10] Please see the Cement Sector Scope 3 GHG Accounting and Reporting Guidance, developed by the Cement Sustainability Initiative Cement Sector Scope 3 GHG Accounting and Reporting Guidance (wbcsd.org)

Investments			
TOTAL	**2.495.697**	**2.607.247**	**3.591.439**

CO_2 emissions related to Cement production

CO_2 emissions – Cement Production	**Unit**	**2024**	**2023**	**2022**
CO_2 emissions (Scope 1)	t	6,857,735	7,134,901	7,278,336
CO_2 emissions (Scope 2) Location based	t	397,604	416,562	377,548
CO_2 emissions (Scope 2) market based	t	517,576	510,390	**513,938**
Total CO_2 emissions Location based (scope1+scope2)	t	7,255,339	7,551,463	7,655,884
Total CO_2 emissions Market based (scope1+ scope2)	t	7,375,311	7,645,291	7,792,274
CO_2 emissions Intensity Scope 1 – Grey cement	kg CO_2/TCE	632	655	672
CO_2 emissions Intensity Scope 1 – White cement	kg CO_2/TCE	860	846	886

As reported in the chapter 'Cementir Roadmap 2030', the Group is increasingly focused on the development of new technologies for carbon capture and storage (CCS). Following the introduction of CCS in Aalborg, Cementir will reduce its Scope 1 emissions to 417 kg of CO_2 per ton of grey cement, below the threshold required by the EU Taxonomy, and 44% lower than 2020 emissions.

For white cement, which is a special product with niche applications and markets (0.5% of total world cement production), Cementir's plan is to reduce its Scope 1 emissions to 653 kg of CO_2 per ton of cement. The CO_2 reduction in white cement production will be achieved by replacing traditional fossil fuels with natural gas and biomass, by replacing clinker content in cement with mineral additives, such as limestone and with the carbon capture in Aalborg where, one of the white kilns will be connected with CCS.

CO_2 emissions related to other activities

For the other activities performed by the Group, ready-mix concrete, production of aggregates, production of concrete prefabricated products and waste collection and treatment, the CO_2 equivalent emissions are significantly lower. The data is presented in the table below.

CO_2 emissions – Other	**Unit**	**2024**	**2023**	**2022**
CO_2 emissions (Scope 1)	t	42,691	49,196	46,548
CO_2 emissions (Scope 2) location based	t	8,311	7,861	8,758
CO2 emissions (Scope 2) market based	t	15,500	12,584	13,880
Total CO_2 emissions Location	t	51,002	57,056	55,306
Total CO_2 emissions Market	t	58,191	61,780	60,428

GHG Intensity based on net revenue

GHG Intensity per net revenue	**2024**	**2023**	**Δ %**
Total GHG emissions (location based) per net revenue (tCO2eq/Monetary unit)	0,58%	0,60%	-3,64%
Total GHG emissions (market based) per net revenue (tCO2eq/Monetary unit)	0,59%	0,61%	-3,37%

E1-8 Internal carbon pricing

Internal Carbon Pricing System and Its Role in Decision-Making

Cementir Group (CH) has established an internal carbon pricing system to strengthen financial and strategic decision-making, particularly in relation to CO_2 cost management and investment planning.

By integrating carbon pricing into its financial and strategic frameworks, CH enhances resilience to regulatory changes, supports long-term decarbonization objectives (e.g., development of low-carbon products, targeted investments, and R&D activities), and promotes transparency in climate-related Management Reporting.

1. Methodology for Carbon Price Determination

Each year, CH determines its internal carbon price through a structured evaluation process that considers multiple factors, including benchmarking against industry peers and technical analysis based on an adaptive expectations approach.

This methodology incorporates:

- Historical price trends within the European Emission Trading System (ETS), ensuring alignment with observed market dynamics.
- Consensus projections from leading international forecasters, particularly Carbon Pulse, a globally recognized organization specializing in carbon markets and sustainability.

This approach ensures a realistic and forward-looking estimation of carbon costs, balancing market-driven insights with long-term regulatory expectations to support informed decision-making.

2. Scope of Application

Internal carbon pricing plays a crucial role across multiple areas of CH's corporate strategy and financial planning, specifically in:

- Investment Decisions & Sensitivity Analysis – Integrated into Capex evaluations and strategic planning to assess the financial feasibility of projects that impact Scope 1 and Scope 2 absolute CO_2 emissions, either through reduction measures or increased production capacity.
- Financial Forecasting – Incorporated into budget planning and cost projections, particularly for CH's plants in Denmark and Belgium, which are subject to the EU ETS.
- Risk Management – Used to measure, model, and manage financial and regulatory risks associated with both existing and potential government carbon pricing regimes, ensuring compliance with evolving policies.

By embedding internal carbon pricing into key decision-making processes, the Group enhances its ability to anticipate market shifts, optimize capital allocation, and drive sustainable business growth in an increasingly carbon-constrained economy.

E2 POLLUTION

Impact, risk and opportunity management

ESRS 2 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

For information regarding the process to identify and assess material pollution-related impacts, risks and opportunities, please refer to Chapter "General Information", sections "Impact materiality assessment" and "Financial materiality: risks and opportunities assessment".

E2-1 Policies related to pollution

Overall, key commitments set out in the Group Environmental Policy (please, refer to the General Information section to deep-dive), include:

- Prioritizing environmental factors in the development of operations and assessing impacts on new or modified sites to achieve positive outcomes.
- Promoting efficient environmental practices and exploring advanced technologies to minimize the environmental footprint throughout the product lifecycle.
- Setting clear, measurable environmental targets aligned with the UN Sustainable Development Goals.
- Regularly monitoring, reviewing, and disclosing environmental performance using internationally recognized indicators.
- Fostering constructive cooperation within the company and with local communities and institutions to address environmental challenges.
- Encouraging employees and supply chain partners to adopt sustainable environmental practices through training and awareness activities.
- Ensuring compliance with all relevant laws and corporate guidelines.

With regard to pollutant emissions, the Group Environmental Policy aims at reducing pollutant emissions and maintain an efficient monitoring system to prevent and control such emissions in the environment, following the Best Available Techniques.

For detailed information regarding the activities implemented by the Group with reference to the BAT, please refer to section “E2-4 – Pollution of air, water, and soil” of the present document.

It also aims at minimizing the impact of operations on nearby areas and the community.

Moreover, the Group is committed to managing environmental responsibilities through the effective implementation and maintenance of an Environmental Management System (EMS) compliant with ISO 14001.

Indeed, as part of ISO 14001 certification, a risk assessment process related to environmental impact is required, which must be carried out through an evaluation matrix, involving the communities affected by the Group's activities.

This process is generally an integral part of the certified environmental management system.

Regarding cement plants, ISO 14001 certification is present in 9 out of 11 plants.

However, not all cement plants participate annually in the community engagement process, but the assessment of impacts and associated risks on communities is part of the environmental management system.

Environmental Risk Management (ERM) is focused on managing and monitoring material pollution impacts, but not all certified cement plants strictly follow the same practices, particularly at non-certified sites.

The goal is to complete ISO 14001 certification for all sites by the end of 2025, ensuring that each cement plant meets the required environmental management standards.

In summary, certification and environmental management are continuous processes, with the need to align all company sites to the same standards of risk assessment and management.

For more information on how the Group manages the water resource, please refer to section “E3 – Water and marine resources” of the present document.

E2-2 – Actions and resources related to pollution

Cementir Group has an action plan for managing pollutants, consisting of a continuous air emission monitoring and discontinuous measurements control system.

The plan focuses on mitigating the negative impacts associated with environmental sustainability issues and ensuring compliance with current regulations as well as voluntary and sector-specific guidelines.

The **Monitoring and reporting of air emissions' objective** consists of guidelines for monitoring and reporting environmental performance related to channelled air emissions (excluding CO_2) in cement plants.

Such document defines minimum requirements for parameters, measurement frequency, and indicators, which must be implemented by each operating company as part of its environmental management system.

It also outlines the reporting process to the Group HSE function and provides standardized guidance for air emissions accounting.

The document applies to all cement plants within the Cementir Group, focusing on emissions from the kiln stack, the primary source of emissions.

It excludes CO_2 emissions, which are covered by separate Group guidelines for greenhouse gas monitoring and reporting.

The main emissions from cement production originate from kiln firing, preheating, and precalcining processes, primarily due to physical-chemical properties of raw materials and fuel combustion.

The largest emitted substances are dust, nitrogen oxides (NOx), and sulphur oxides (SOx). Other significant emissions include:

- Total organic compounds (TOC), including volatile organic compounds (VOC);
- Gaseous chlorides (HCl) and fluorides (HF);
- Carbon monoxide (CO);
- Heavy metals such as mercury (Hg), cadmium (Cd), thallium (Tl), and others;
- Polychlorinated dibenzodioxins and dibenzofurans (PCDD/Fs), reported as International Toxic Equivalent (I-TEQ).

These emissions can be monitored using continuous (CEMS) or periodic (discontinuous) measurements.

The measurement and its frequency must be taken according to:

- Air emissions permit/authorization by local competent Authority;
- Local environmental standards and regulations;
- Recognized sectorial monitoring rules and metrology standards.

The effective management of air pollutants not only addresses air quality but also indirectly mitigates negative impacts on soil, living organisms, and food resources, as identified in the Double Materiality assessment. This is achieved through the Company's action plan, which focuses on monitoring and controlling air emissions while actively managing their broader environmental effects.

The financial resources allocated to the air emissions monitoring plan are subject to periodic monitoring and include both operational expenses (Opex) for the daily management of activities and capital expenditures (Capex) for the management and maintenance of assets. These funds are aligned with the Group's 2030 roadmap and are integrated into the organization's routine management activities.

There are no significant Opex or Capex expenses to report.

Metrics and targets

E2-3 – Targets related to pollution

At the moment, the Group has not defined measurable targets related to pollution.

The established processes are integrated into the HSE function, which is responsible for ensuring adherence to the Group's Environmental Policy.

Furthermore, this issue is continuously addressed through ISO 14001 certifications, which are present in 9 out of 11 plants, with the goal of extending this certification to all plants by the end of 2025.

Finally, the Group monitors and reports emissions from cement production according to guidelines consistent with recognized international reference documents, such as the EU BAT and GCCA Sustainability Guidelines.

For further details on this aspect, please refer to section “E2-4 – Pollution of air, water and soil”.

E2-4 – Pollution of air, water and soil

The pollution ranges within which kilns operate depend largely on the nature of the raw materials, fuels, age and design of the plant.

For example, the concentration of impurities and the behaviour of the limestone during firing/calcination can influence pollutants, e.g. the variation of the sulphur content in the raw material plays an important role and influences the range of the sulphur emissions in the exhaust gas.

The Group implements suitable technologies to reduce air emissions in line with the Best Available Techniques (BAT), such as electrostatic precipitators and fabric filters for dust, low NOx burners, and selective non-catalytic reduction systems for NOx.

In particular, cement plants located in Denmark and Belgium are subject to the Industrial Emissions Directive (2010/75/EU) and the relevant EU BAT conclusions.

In 2024, 100% of clinker production was monitored through Continuous Emission Monitoring Systems (CEMS) and discontinuous measurements of all emissions, with an increased frequency of sampling compared to 2023.

Additionally, 99% of the total clinker production at the Group level was monitored through CEMS for the primary pollutants: dust, nitrogen oxides (NOx), and sulphur oxides (reported as SO2). Volatile Organic Compounds (VOCs), measured as Total Organic Compounds (TOC), are also reported.

Although present in very small quantities, emissions of volatile or semi-volatile heavy metals and their compounds, as well as polychlorinated dibenzodioxins and dibenzofurans (PCDD/Fs), are also considered significant. These emissions are influenced by kiln and process design, as well as the composition of raw materials and fuels, including biomass. Non-volatile metal compounds remain within the process and are incorporated into the clinker composition.

Monitoring and reporting air emissions are key components of the Group’s efforts to minimize its environmental impact. The Cementir Group’s monitoring guidelines align with internationally recognized reference documents, such as the EU BAT and GCCA Sustainability Guidelines, for tracking and reporting emissions from cement production.

The Best Available Techniques (BAT) involve regular monitoring and measurement of process parameters and emissions, in line with the relevant EN, ISO, or US EPA standards required by national regulations or other international frameworks, ensuring data of equivalent scientific quality. The use of these standards by accredited laboratories ensures compliance with these guidelines.

Examples of periodic measurement methods include EN ISO 13284 / US EPA 5 for dust; EN ISO 14792 / US EPA CTM 34 for NOx; EN ISO 14791 / US EPA 6 for SO2; EN 14385 and EN 13211 / US EPA 29 and 30 for metals and mercury, respectively.

Best Available Techniques include the following:

- Continuous measurements of process parameters demonstrating the process stability, such as temperature, O2 content, pressure, flow rate and CO emissions.

- Monitoring and stabilising of critical process parameters, e.g. fuel feed, regular dosage and excess oxygen.
- Continuous measurements of dust, nitrogen oxides, sulphur oxides, CO emissions.
- Continuous or periodic measurements of HCl and HF emissions in case waste are co-incinerated.
- Continuous or periodic measurements of TOC emissions in case wastes are co-incinerated.
- Periodic measurements of PCDD/Fs and metal emissions.

For continuous measurements under operating conditions, averaging is required to summarize the results. Depending on the time period and the number of validated values, the measurement result can be presented as an hourly, daily, monthly, or yearly average.

In some cases, validation occurs before averaging the measurement results, such as by accounting for measurement uncertainty or removing outliers. If there are enough validated results, the outcome is considered representative of the operating conditions during that period.

For periodic measurements, the result represents the average over the sampling period, which could be, for example, 30 minutes for air emission measurements. The number of samples needed to determine a representative daily, monthly, or yearly average is typically specified in the air emission permit.

The requirements for maximum permissible measurement uncertainties can be found in standard methods or local regulations. For example, EN ISO 14956 provides guidance on evaluating the suitability of a measurement procedure for stack emission measurements by comparing it with the required measurement uncertainty.

For continuous measurements, measurement uncertainty is determined according to EN 14181.

In 2024, the Cementir conducted a review of the monitoring procedures across all cement plants. Some nonconformities were identified, mainly due to calculation errors, which have since been corrected. As a result, emission data was revised, recalculated, and aligned with previous years' values.

Over the past three years, the Group has seen an overall improvement in key air emission indicators, attributed to more stable operating conditions and lower sulphur content in raw materials and fuels. The optimization of production between white and grey cement also contributed.

Several environmental projects are currently underway, aiming to further improve the Group's performance, particularly in reducing dust emissions (e.g., installation of fabric filters).

During the year, no fines and penalties were received.

Air Emissions	**2024**	**2023**	**2022**
Clinker produced with CEMS and discontinuous measurements of all emissions			
% of total production	100	100	100
Clinker prodotto con CEMS di polvere, NOx, e SO2			
% of total production	99	98	100
Polvere			
tons	258	241	271
g/t clinker	32	30	34
NOx			
tons	11.095	11.787	11.704
g/t clinker	1.390	1.464	1.449
SO2			
tons	1.507	1.701	1.961
g/t clinker	189	211	243
TOC			
g/t clinker	32	38	45

Hg			
g/t clinker	0,005	0,012	0,012
PCDD/Fs			
µg TEQ /t clinker	0,028	0,014	0,022
∑Cd, Tl			
g/t clinker	0,012	0,014	0,016
∑Other Heavy metals [1]			
g/t clinker	0,09	0,08	0,12

1[1] Sb, As, Pb, Cr, Co, Cu, Mn, Ni, e V.

E3 WATER AND MARINE RESOURCES

Impact, risk and opportunity management

ESRS 2 IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

For information regarding the process to identify and assess material water-related impacts, risks and opportunities, please refer to Chapter "General Information", sections "Impact materiality assessment" and "Financial materiality: risks and opportunities assessment".

Projects related to water management, particularly in areas facing water stress, actively involve local communities.

An example of this is a project in Belgium, where water extracted from a quarry is treated in a water purification plant and then supplied to the local water network to provide potable water to the community. This approach, shared with the community, was developed in response to the need to reduce pressure on existing water resources by avoiding the extraction of water from local wells.

When undertaking significant projects that impact communities, the Company adopts an engagement strategy, considering the needs and concerns of the communities themselves.

A thorough analysis highlighted the importance of an approach that minimizes local impact, emphasizing cooperation between companies, communities, and institutions.

This approach is based on a constructive relationship, characterized by full openness and mutual trust, to address environmental challenges and promote the conservation of shared natural resources.

E3-1 Policies related to water and marine resources

Protecting water resources is a key component of Cementir's sustainability strategy. The Group acknowledges that access to water, sanitation, and hygiene is a fundamental human right and actively supports initiatives aimed at mitigating water supply risks, particularly in the most vulnerable regions.

The Group Water Policy (please, refer to the General Information section to deep-dive) guides Cementir's operating companies in the responsible management of water and the Head of Region are responsible for the correct application of the Policy.

It applies to all operations within the Group and is a fundamental part of each company's Environmental Management System.

The Group believes that effective water management is achieved through the implementation and upkeep of these systems, focusing on the following commitments:

- Assess water supply as a risk /opportunity in business operations and development;
- Promote water efficiency through practices such as recycling, minimizing wastewater discharge, reducing freshwater use, and utilizing alternative water sources;

- Prioritize freshwater efficiency, especially in high-water-stress areas identified by the World Resources Institute's Aqueduct map;

- Set measurable water management targets aligned with the UN Sustainable Development Goals;

- Regularly monitor, review, and disclose water management performance using internationally recognized indicators;

- Foster constructive cooperation within the Group, local communities, and institutions to address water conservation challenges;

- Encourage responsible water use and conservation among employees and supply chain partners;

- Ensure compliance with all relevant local, national, and international laws, as well as corporate guidelines.

The Group is committed to following the guidelines outlined in the Water Policy.

For more information on how the Group implements these actions, please refer to sections "E3-2 Actions and resources related to water and marine resources", "E3-3 Targets related to water and marine resources" and "E3-4 Water consumption".

The Group is committed to safeguarding water resources also throughout its value chain.

Indeed, as set out in the Supplier Code of Conduct[11], suppliers are expected to uphold socially responsible practices, respecting the values of a positive environment, a healthy and safe workplace, and the cultures and traditions of the countries in which they operate.

The relationship with the local community is critical, as business activities inevitably impact surrounding areas. Suppliers must address climate change and emissions, ensuring effective management of emissions, protection from climate impacts, and safeguarding the health and safety of workers.

Regarding sustainable water management, Cementir's suppliers are expected to be committed to efficient water management practices, including minimizing freshwater withdrawal, reducing wastewater discharge, and enhancing water recycling and reuse at an appropriate level.

E3-2 Actions and resources related to water and marine resources

Starting with water-scarce areas as a priority, the Group promotes the sustainable use of water across all its activities.

Cementir is strongly committed to reduce the water consumption increasing water reused/recycled, (e.g., drainages improvement and rainwater collection to reuse/recirculate a portion of water), minimizing water withdrawal and wastewater discharge, minimizing losses (e.g., periodical checks of underground water piping and pump conditions and their replacement if needed) and promoting water management efficiency practices.

One of the objectives is to maximize the collection of rainwater and it has to be noted that most of the sites of the undertaking have adequate collection systems (e.g. running tank) for its production process. There is no punctual monitoring of the total volumes of water stored.

In 2024, water consumption in cement production amounted to 3,429 thousand m^3, representing approximately 78% of the Group's total water usage.

Water consumption in areas experiencing high water stress accounted for 31% of the total consumption.

Additionally, 31% of the total water withdrawn was reused or recycled.

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[11] The Supplier Code of Conduct is available at this link

Of the total water discharged from cement production, 96% was freshwater[12].

BOX: **Wastewater as a resource**

In Al Arish – Egypt, Cementir focused on using of wastewater resulted from water treatment unit of the plant. Part of this water flow was not usable for industrial purpose due to high level of salinity. In 2024, three initiatives were implemented to give value at this wastewater:

- *Part of the flow was used for agricultural purposes. 130 olive trees were planted. The number of trees will be increased next years.*
- *Wastewater was used for spraying quarry roads to reduce dust emissions produced by vehicle and mobile equipment.*
- *Wastewater was fed to the tank of water spray system for pet coke storage. This control technique is commonly used at pet coke storages helping to control dust emissions and maintain product moisture content.*

In ready-mix concrete production, water is a key input resource.

In 2024, water consumption totalled 657 thousand m³, accounting for 15% of the Group’s total water usage. Water consumption in areas with high water stress represented 70% of the total consumption in ready-mix concrete production. Additionally, 24% of the total water withdrawn in ready-mix concrete was reused or recycled. The Group is actively working to maximize water reuse for new preparations and on-site activities.

BOX: **Zero water discharge**

One of the Group’s goals in ready-mix production is to maximize rainwater collection and recycled water recovery to achieve zero water discharge starting with plants in high water stress areas (e.g., Belgium, Norther France). Where possible, water after sedimentation steps is reused for new product preparation. In some plants the capacity of the water recovery basins was increased reaching zero discharge.

New basin at Noyelles-Lès-Seclin

In aggregates production, water consumption amounted to 327 thousand m³, representing about 7% of the Group's total water usage. The increase compared to 2023 was due to the initiation of new activities. Water reuse and recycling in aggregates accounted for 14% of the total water withdrawn.

Where quarry dewatering[13] is implemented, there is a focus on recovering quarry water. Pumped water can be repurposed for various uses, such as washing aggregates and watering tracks. In many cases, water use in quarries is arranged in a closed-loop system to minimize the volume of pumped water, and it typically constitutes a small portion of the total water collected.

[12] Freshwater is defined as the concentration of Total Dissolved Solids is ≤1000 mg/l.

[13] Quarry dewatering refers to the process of removing groundwater from a quarry to maintain a workable bottom of the quarry. When a quarry extends below the water table, groundwater will naturally infiltrate the quarry due to gravity.

Over 10% of the Group's total water withdrawal (1,637 thousand m³) is used to supply drinking water to local communities in Belgium.

BOX: **Belgium, Potabilization of Clypot and Gaurain quarry water: partnership in sustainability**

During 2024, the Group continued the recovery of quarry water to supply the public distribution network (Société Wallonie des Eaux - SWDE). The volume of Clypot quarry water sent for potabilization was 1,499 thousand m³ (compared to 1,309 thousand m³ in 2023).

In 2024, Cementir also began supplying quarry water from the old Gaurain quarry, totaling 139 thousand m³. The target is to reach 1,700 thousand m³ from Gaurain.

The Group invested to maximize the supply, aiming for a total of around 4,000 thousand m³. These operations enable the recovery of quarry water into the public distribution network, optimizing the management of quarry water levels. At the same time, they significantly reduce the local authority's reliance on well water, particularly in the Gaurain and Clypot districts, which are areas of extreme water stress

Moreover, the Group ensures access to WASH (water, sanitation, and hygiene) services at an adequate standard for all employees and contractors across all sites under the direct control, while also supporting partners and communities within the Group's value chains.

BOX: **Safe Water, Sanitation and Hygiene at the Workplace (WASH)**

We continued the implementation of planned improvement actions regarding our commitment to WASH, signed in 2023. We worked to improve access to drinking water and sanitation for all workers at workplaces whose operational control is under our responsibility. In addition, we intend to address and support access to WASH along the value chain, as well as in the communities where we operate.

At the end of 2024 in all our sites we reached a compliance value to WASH standards more than 90%.

wbcsd

WASH 4WORK

In 2024, no fines and/or penalties were received related to water management.

The financial resources allocated to water resource monitoring and reporting activities are subject to periodic monitoring and include both operational expenses (Opex) for the daily management of activities and capital expenditures (Capex) for the management and maintenance of assets. These funds are aligned with the Group's 2030 roadmap and are integrated into the organization's routine management activities.

Metrics and targets

E3-3 Targets related to water and marine resources

An integrated strategy on climate change

Water risks related to climate change are periodically assessed using the World Resources Institute (WRI) – Aqueduct Water Risk Atlas.

The risk levels for each cement plant and region are identified periodically and improvement actions are prioritized and planned.

This process is conducted in accordance with Group's 2030 Roadmap, which involves reducing consumption (e.g., through the reduction of clinker ratio[14]).

[14] The use of other constituents in cement and the reduction of the clinker-to-cement ratio means lower emissions and lower energy use.

In 2024, the Group updated its water risk assessment at the individual cement plant level based on the water stress scenarios provided by the Aqueduct Water Risk Atlas platform.

As a result of the industrial roadmap, Cementir revised its 2030 targets to further improve performance.

At the Group level, the target for reducing water consumption in cement production has been raised to 30%, up from the previous 20% based on 2019 values.

In line with the updated Atlas data, the Group also reviewed its portfolio of plants located in high and extremely high-water stress areas and recalculated consumption values, including the baseline. These plants are:

WRI's Aqueduct™ information platform compiles advances in hydrological modelling, sensor data, and published data. Aqueduct's tools use open-source, peer reviewed data to map water risks such as floods, droughts and stress.

Baseline water stress measures the ratio of total water demand to available renewable surface and groundwater supplies. Water demand includes domestic, industrial, irrigation, and livestock consumptive and nonconsumptive uses. Available renewable water supplies include the impact of upstream consumptive water users and large dams on downstream water availability. Higher values indicate more competition among users.

- Al Arish in Egypt – Arid and low water use risk category
- Izmir in Turkey and Gaurain in Belgium – Extremely high-risk category
- Kars in Turkey – High-risk category

The reduction target for these plants by 2030 is 25%, even though they start with a specific consumption rate significantly lower than the Group average.

Water stress future scenarios

2024	2030	2050
36%	36%	54%

% of our cement plants operating in high and extremely high-water stress areas

2024	2030	2050
35%	38%	40%

% of our sites operating in high and extremely high-water stress areas

E3-4 Water consumption

Water Management System

Water balance is monitored monthly at the site level and consolidated quarterly at the Group level. The Group's monitoring and reporting guidelines define the minimum requirements for this activity. These guidelines align with recognized international reference documents, such as the GCCA Sustainability Guidelines for monitoring and reporting water use in cement manufacturing.

The Group uses various methods to measure different water flows:

- Direct measurement of water volume passing through a channel or pipe cross-section using a meter.

- Calculations based on measurements of flow rate and pump operating hours, or the difference between two measurements, such as water withdrawal and discharge.
- Estimation calculations based on the pump's rated capacity and operating hours or using an empirical formula with assumed factors.

Quality monitoring of water discharge is conducted periodically. The frequency of these measurements is typically monthly but may vary depending on local regulations (e.g., quarterly) and environmental permits.

Effluent parameters are periodically monitored using recognized analytical methods required by local authorities, such as total suspended solids, pH, temperature, and oxygen demand.

Examples of periodic measurement methods include: EN 872 or ISO 11923 for total suspended solids, EN ISO 10523 for pH, and EN 1899 or ISO 5815 for BOD (Biochemical Oxygen Demand). Requirements for maximum permissible measurement uncertainties are in line with relevant standards or local legislation.

The Group undertakes a comprehensive assessment of water management at all its plants to ensure a complete understanding of water withdrawal, discharge, recycling, and consumption.

Water is primarily used for conditioning kiln gases, de-dusting and cleaning, and cooling equipment such as compressors.

In wet and semi-wet cement processes, water consumption mainly results from water vaporization during production.

Pumped water is also used for various purposes, such as washing aggregates, watering trucks, and fugitive dust reduction.

Water from production phases is typically treated on-site before discharge (97% of total water discharge in 2024).

The primary treatment involves the physical removal of suspended solids and floating materials, usually through sedimentation.

Secondary treatment, including wastewater treatment plants (e.g., biological units), is implemented in some cement plants and in our waste treatment plants.

Tertiary treatment (chemical and biological), applied after secondary treatment, removes suspended, colloidal, and dissolved constituents such as nutrients, heavy metals, and other contaminants. This tertiary treatment is only relevant for the Group's waste management plants.

Specific water consumption in cement was 373 liters/TCE (241 liters/TCE in high-water stress areas) aligned with our improvement plan.

The targets have been set also based on the input received from stakeholders such as Shareholders, Financial Communities and local authorities and opinion leaders.

Improving water consumption in cement		2019	2020	2021	2022	2023	2024	2030
Specific water consumption	l/TCE	**480**	445	413	402	387	**373**	**335**
Reduction compared to 2019			*-7%*	*-14%*	*-16%*	*-19%*	***-22%***	***-30%***
Specific water consumption - high water stress areas	l/TCE	**291**	**292**	**285**	**270**	**253**	**241**	**219**
Reduction compared to 2019			***0%***	***-2%***	***-7%***	***-13%***	***-17%***	***-25%***

Group Water Balance		2024	2023	2022
Total water withdrawal	**m3 / 1.000**	**15.133**	**15.317**	**14.908**
Surface water		584	505	524
Groundwater		5.032	5.473	6,.849
Seawater		0	0	0
Rainwater		876	843	570
Public water		425	502	581
Quarry water		8.216	7.994	6.384
Total water discharge	**m3 / 1.000**	**10.715**	**10.993**	**9.808**
By place of discharge				
Surface water		5.878	6.451	5.255
Groundwater		16	22	215
Seawater		2.620	2.836	3.270
External treatment plants and other discharge area		1.978	1.523	911
Domestic sewage		223	161	157
Total water consumption	**m3 / 1.000**	**4.418**	**4.325**	**5.099**

Indicator	UoM	Quantity		
		2022	2023	2024
Total water consumption	m3	5.009.430	4.325.243	4.417.579
Total net revenue	mln €	1.723.102.998	1.694.246.561	1.686.943.385
Water intensity	**m3/mln €**	**0,29%**	**0,26%**	**0,26%**

Below is the breakdown of water balance data in cement and ready-mix concrete production, accounting for about 94% of Group total consumption.

Water balance in cement		2024	2023	2022
Total water withdrawal	**m3 / 1.000**	**8.758**	**9.191**	**9.115**
Surface water		410	408	404
Groundwater		4.373	4.336	5.014
Seawater		0	0	0
Rainwater		739	717	346
Public water		205	239	267
Quarry water		3.031	3.491	3.084
Total water discharge	**m3 / 1.000**	**5.329**	**5.748**	**5.273**
By place of discharge				
Surface water		2.367	2.661	1.745
Groundwater		10	13	11
Seawater		2.620	2.836	3.270
External treatment plants and other discharge areas		153	126	161
Domestic sewage		180	112	86
Total water consumption	**m3 / 1.000**	**3.429**	**3.442**	**3.842**
In high water-stress areas	% of total water consumption in ready-mix	31	32	37,2

Total water reused/recycled	**m3 / 1.000**	**2.727**	**3.095**	**2.695**
	% of total water withdrawal in ready-mix	31,1	33,7	29,6
Specific water consumption	**l/TCE**	**373**	**387**	**402**
In high water-stress areas		241	253	270

Water balance in ready-mix concrete		**2024**	**2023**	**2022**
Total water withdrawal	**m3 / 1.000**	**790**	**740**	**888**
Surface water		47	40	96
Groundwater		408	329	345
Seawater		0	0	0
Rainwater		137	126	137
Public water		198	245	310
Total water discharge	**m3 / 1.000**	**133**	**105**	**59**
By place of discharge				
Surface water		0	0	13
Groundwater		1	0	0
Seawater		0	0	0
External treatment plants and other discharge areas		89	71	1
Domestic sewage		43	34	45
Total water consumption	**m3 / 1.000**	**657**	**635**	**829**
In high water-stress areas	% of total water consumption in ready-mix	69,7	63,4	59,4
Total water reused/recycled	**m3 / 1.000**	**188**	**178**	**183**
	% of total water withdrawal in ready-mix	23,8	24	20,6
Specific water consumption	l / m3 ready-mix concrete	**144**	**149**	**173**
In high water-stress areas		156	154	191

Information on water consumption	**UoM**		**Quantity**	
		2022	**2023**	**2024**
Total water consumption in m3	**m3**	**5.009.430**	**4.325.243**	**4.417.579**
Total water consumption in m3 in water-at-risk areas, including those with high water stress		**2.307.170**	**1.759.184**	**1.849.712**
Cement	m3	1.428.309	1.100.188	1.063.686
RMC	m3	491.865	402.703	457.671
Aggregates	m3	383.096	254.153	323.655
Waste	m3	3.900	2.140	4.700
Total volume of recycled and reused water	**m3**	**3.548.523**	**3.976.529**	**3.708.388**
Total volume of water stored and its variations	**m3**	**-**	**-**	**-**

E4 BIODIVERSITY AND ECOSYSTEMS

Strategy

E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Cementir Group has conducted an assessment of the impacts, risks and the resilience of its business model concerning biodiversity and ecosystems.

The analysis revealed that quarrying activities, which provide the primary raw materials for cement and aggregates, could significantly impact biodiversity and ecosystem health, particularly through habitat disruption, dust emissions, and, in certain areas, water resources.

As far as the business resilience is concerned, given the abundance of raw materials, that are present in easily accessible areas, the Group has not identified great concerns in terms of adaptability of its business model.

The raw materials used in the cement industry are relatively common and widely available. The primary raw materials for cement production include: 1) **Limestone,** the most abundant and essential component, accounting for 60-70% of cement's composition. It is widely available in sedimentary rock formations worldwide. 2) **Clay** that provides silica, alumina, and iron oxide, which are crucial for the clinker formation. Common sources include shale, bauxite, and laterite, which are widely distributed. 3) **Sand or Silica,** needed to balance silica content. It is abundant in natural sand deposits and quartz-rich rocks. 4) **Iron Ore**, used to adjust the iron content in the cement mix. Iron ore is common, and alternative sources like industrial byproducts (e.g., mill scale) are also used. 5) **Gypsum,** to regulate the setting time of cement. While less abundant than limestone, gypsum is still widely available and can also be obtained from industrial byproducts like phosphogypsum.

Limestone and clay are among the most abundant minerals on Earth. **Silica and iron ore** are also plentiful although require processing and **gypsum** is also very common. Overall, cement raw materials are not rare, and their widespread availability makes cement production feasible in most parts of the world. So even in the case of biodiversity related restrictions in quarrying it is considered extremely unlikely that any of these raw materials will not be easily accessible.

In addition to the assessment described in this section, the Group has decided that in 2025 it will invest in further evaluations of its impacts and dependencies with the support of expert services.

In particular, the Group has planned an in-depth analysis of biodiversity impacts to be performed starting in 2025, to encompass all company-owned quarries and production sites, concentrating on their direct impact on biodiversity, including in person, site-specific ecological assessments. Such analysis will take into account, but will not be limited to, the following factors:

- Increasing regulatory focus on biodiversity protection, which may result in stricter permitting requirements, challenges in permit renewals and extensions, and higher operational costs;
- The potential for quarry rehabilitation post-extraction to restore biodiversity, provided that high-standard rehabilitation plans are followed;
- Collaborating with stakeholders such as local communities and conservation groups to reduce reputational risks and enhance ecosystem resilience.

The analysis will be set to address, but will not be limited to, the following timeframes:

- **Short-term:** An analysis of risks and opportunities, prioritizing locations based on their potential impact on biodiversity, ensuring compliance with current biodiversity regulations, and the initial implementation of biodiversity action plans.
- **Medium-term:** Aligning quarry operations with emerging biodiversity policies, based on the results of the risks and opportunities analysis.
- **Long-term:** Following the execution of the strategy and Roadmap 2030.

The results of the analysis will be shared at the conclusion of the Enterprise Risk Management analysis, which focuses on biodiversity and is scheduled for completion in 2025. Internal and external stakeholders, along with biodiversity experts, will be engaged throughout the resilience analysis process.

This will include consultations during the development of site-specific biodiversity analyses and action plans, as well as collaboration with organizations possessing local and indigenous knowledge to ensure ecologically sound practices.

At the moment, the Company already engages with stakeholders in some of its biodiversity projects, such as in Belgium and Denmark. For more details about these projects, please refer to section "E4-4 – Targets related to biodiversity and ecosystems".

One of the Group's main objectives is to align its business model and strategy with the Kunming-Montreal Global Biodiversity Framework, the EU Biodiversity Strategy for 2030, and relevant global and regional goals and targets.

To manage the potential impact of its quarrying activities on biodiversity, the Group will develop a comprehensive transition plan to enhance practices and mitigate biodiversity risks.

As part of this transition, Cementir has introduced the Group Biodiversity and Rehabilitation Guideline in 2022.

To further strengthen this process, the Group will undertake several initiatives to support the transition plan, including:

1. Integration of biodiversity goals into strategic planning;
2. Sustainable land management and quarry operations;
3. Adoption of circular economy practices;
4. Stakeholder engagement and partnerships;
5. Monitoring and reporting of its main activities impacting biodiversity.

ESRS 2 SBM 3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Below is a list of the Group's quarries, including details on their geographical location and the type of quarry.

Cementir's quarries	Site location	Quarry type
AALBORG PORTLAND	Aalborg-Denmark	Chalk
KUDSK & DAHL	Norra Hostrup- Rodekro-Denmark	Sand & Gravel
	Dybvad-Rodekro-Denmark	Sand & Gravel
AB SYDSTEN	Hardeberga-Sodra Sandby-Sweden	Quartzite
	Stenberget-Blentarp-Sweden	Granite
	Oved-Sjobo-Sweden	Granite
	Dalby-Sweden	Granite
	NorraRorum-Hoor-Sweden	Granite
IZMIR	Bornova-Izmir-Turkiye	Limestone
	Bornova-Izmir-Turkiye	Limestone
	Bornova-Izmir-Turkiye	Limestone
	Bornova-Izmir-Turkiye	Limestone
	Bornova-Izmir-Turkiye	Clay
TRAKYA	Lalapasa-Edirne-Turkiye	Limestone
	Lalapasa-Edirne-Turkiye	Clay
	Lalapasa-Edirne-Turkiye	Clay
ELAZIG	Tadim- Elazig-Turkiye	Limestone
	Yemislik – Elazig - Turkiye	Pozzolan
	Guneycayiri- Elazig-Turkiye	Limestone
	Gollu Bag – Elazig - Turkiye	Marl
	Gollu Bag – Elazig - Turkiye	Marl
	Korpe- Elazig-Turkiye	Limestone
KARS	Bozkale -Kars-Turkiye	Limestone
	Bozkale -Kars-Turkiye	Clay
	Bozkale -Kars-Turkiye	Clay
	Cumhuriyet -Kars-Turkiye	Pumice
MUGLA	Yerkesik – Mugla -Turkiye	Limestone
	Ula – Mugla -Turkiye	Limestone
TORBALI	Torbali -Izmir-Turkiye	Limestone
	Torbali -Izmir-Turkiye	Limestone
CCB	Antoing, Tournai - Belgium	Limestone
	Barry, Tournai - Belgium	Limestone
	Clypot-Neufvilles - Belgium	Limestone
SWC	Gebel Lebni - North Sinai - Egypt	Limestone
	Gebel Lebni - North Sinai - Egypt	Limestone
APM	Ipoh-Perak-Malaysia	Limestone
	Ipoh-Perak-Malaysia	Limestone
ANGING	Anqing –Anhui – China	Limestone

Cementir has conducted a thorough review of its operational sites to assess their biodiversity-related features. For such analysis, a prudential 50 km buffer has been used to account for the biodiversity significance and the potential range of critically endangered (CR), endangered (EN), and vulnerable (VU) species that may occur at each site. This analysis was carried out using the Integrated Biodiversity Assessment Tool (IBAT), the world's leading database for species and ecosystems, and focuses on all of its 38 quarries. The assessment identifies sites based on their proximity to protected areas, Key Biodiversity Areas (KBAs), and the presence of threatened species as classified by the IUCN Red List of Threatened Species.

The very large (50 km) safety buffer was chosen due to general available literature worst cases for mining sites[15]. Amongst them, sites within 5 km of Protected Areas (PA) have been identified to account for the sensitivity of these areas.

The methodology employed in this analysis follows a two-stage approach:

1. **Identification of Sensitive Sites**: A biodiversity sensitive site is prudentially defined considering its overlap between the buffer zone of 50 km and a protected area or KBA, or if its STAR Threat Abatement and/or STAR Restoration scores exceeds the global median values[16].
2. **Assignment of Significance Scores**: Sensitive sites identified in the first stage were then assigned significance scores. These scores were determined based on the proximity of the site to a KBA or protected area relative to the considered buffer size or based on the maximum STAR Threat Abatement and STAR Restoration scores found within the area of influence (site + buffer)[16].

All sites have been analyzed individually, but for the purpose of this disclosure and to avoid repetitions, they've been clustered based on their relative proximity, taking into account biodiversity features and habitats. This includes the presence of Key Biodiversity Areas (KBAs) near or overlapping with the different sites.

A short description of each cluster of quarries is provided in the following paragraphs, including details on the location, the main biodiversity-related threats, the overall Biodiversity Significance Score and significant metrics (e.g. the ratio of threatened species and the STARt threat abatement score[17]), which will be disclosed in detail in the paragraph "E4-5 – Impact metrics related to biodiversity and ecosystems change" at site level.

Izmir

Myotis capaccinii

In the Izmir province, there are five quarries: four producing limestone and one for clay. The area has a high overall biodiversity significance, with all sites being near Key Biodiversity Areas (KBAs) or Protected Areas (PAs), also 3 sites resulted relevant based on the STARr index. The STARt value for this area is below the global median, so it is considered irrelevant. One Ramsar site, the Gediz Delta, is 18 km away. The quarries' areas of influence include 12 KBAs, particularly near the Boz Mountains, Yamanlar, Spil, and Nif. These KBAs host various habitats, including caves vital for bat species. Within the species present in the considered buffer area fof the quarries, 10% are classified by the IUCN Red list as critically endangered, endangered or vulnerable. The primary threats to biodiversity in the area include tourism,

[15] Some mining has been observed to contribute to deforestation effects up to 50 km away (L. J. Sonter, D. Herrera, D. J. Barrett, G. L. Galford, C. J. Moran, B. S. Soares-Filho, Mining drives extensive deforestation in the Brazilian Amazon. Nature Communications. 8, 1013 (2017). T. Maddox, P. Howard, J. Knox, N. Jenner, Forest-Smart Mining: Identifying Factors Associated with the Impacts of Large-Scale Mining on Forests (World Bank, 2019).

[16] A full definition of the Species Threat Abatement and Restoration (STAR) metric can be retrieved from the briefing note publicly available on IBAT's website. In particular, high threat abatement (STARt) scores are assigned to areas that currently contain relatively high numbers of threatened species, while high restoration (STARr) scores indicate areas that previously supported a relatively high number of threatened species, and where restoration activities could significantly contribute to the reduction of species extinction risk.

[17] The STARt score can have a ranking from "none" to "high" where higher STARt scores identify areas with higher numbers of threatened species, and/or that cover a higher proportion of each threatened species' range.

coastal development, urban sprawl, pollution, forest fires, and construction pressures. Additionally, KBAs Karaburun ve Ildir Körfezi Adalari and Kizildag Izmir, have identified the presence of stone and mining quarries as contributing factors to the degradation of mountainous habitats.

Trakya

Spermophilus citellus

In the region of eastern Turkey, there is a cluster of three sites, two producing clay and one producing limestone. The area where the quarries are located is valued with a medium Biodiversity Significance Score, due to the distance with PAs and KBAs. The STARt value for this area is below the global median, so it is considered irrelevant, whereas the STARr score is low for all the sites. The 8 KBAs within considered buffer area of the quarries are situated in Bulgaria and Greece. They are characterized by forests and a mosaic of grassland, scrub, freshwater ponds with reedbeds. There are no PAs in the radius of 5 km from the sites in the cluster. The site is very important for breeding, migrating and wintering of waterbirds, raptors and passerines. 6% of the species present in the Area of Influence of the quarries are classified by the IUCN Red List as Critically Endangered, Endangered or Vulnerable. The main threats for biodiversity conservation in the area are: logging of trees, agricultural intensification, use of pesticides and fertilizers, irrigation and drainage, hunting.

Elazig

Around the city of Elazig, there are six quarries: three limestone, two marl, and one pumice quarry, and they can be grouped given their geographical proximity and similar environmental conditions. They are not located near any protected area within a 50 km radius, but their operations may potentially affect four KBAs, with the closest being 7 km away and the farthest 45 km away. The main activities affecting biodiversity are industrial, commercial, and residential development. The Overall Biodiversity Significance Score is medium due to the proximity to KBAs, which are mostly passage areas for migratory birds, while the STAR Biodiversity Significance is low due to a low presence of Endangered species. The STARt value results to be not significant for the limestone and pumice quarries, and scores low for the marl ones. Only 6% of the species present in the area are classified by the IUCN Red List as Critically Endangered, Endangered or Vulnerable.

Kars

Oxyura leucocephala

In the Kars district, there are four Cementir quarries: two clay, one limestone, and one pumice quarry. They are all located over 40 km away from Lake Kuyucuk, a protected Ramsar site. The quarries may negatively affect nine KBAs, with the nearest and most significant being Aygir Gölü, Cali Lake, Kars Ovasi, and Sarikamis Ormanlari. This area is part of the Caucasus hotspot, characterized by temperate forests, and the main threats to biodiversity are energy production and mining, and future residential and commercial development. The clay and limestone quarries have a low Biodiversity Significance Score due to their distance from protected areas or KBAs and the low presence of endangered species, while the pumice quarry has a medium score given its proximity to the Cali Lake KBA. The STARt value resulted to be not significant for the limestone and clay quarries, but medium for the pumice one. 8.5% of the species assessed in the area are classified by the IUCN Red List as Critically Endangered, Endangered or Vulnerable.

Aquila nipalensis

Mugla

In the Mugla province, limestone quarries are not near any protected area within a 50 km radius but can affect six KBAs within their Area of Influence (AoI). In particular the quarry "Mugla-limestone-2" is located inside the "Datça ve Bozburun Yarimadalari" KBA. The area features Mediterranean scrub ecosystems, including coastal and marine habitats, pine, oak, and ash forests, streams and lakes. These areas are sensitive for biodiversity, with medium to high significance due to the presence of endangered or endemic species. Within the species present in the considered buffer area of the quarries, 10% are classified by the IUCN Red list as Critically Endangered, Endangered or Vulnerable. The STARt score is valued as low for one site (Mugla-limestone-1) and high for the other (Mugla-limestone-2). The main threats include tourism development, dam construction, transportation corridors, forest fires, grazing pressure, unplanned reforestation, agriculture, hunting and urban development.

Torbali

South of the province of Izmir, west of the city of Torbali, lie two limestone quarries. The surrounding hilly and mountainous terrain provides crucial habitats for species like the Falco cherrug. The area features typical Mediterranean vegetation, with distinct zones of prickly oak and black pine forests at higher elevations. The quarries are on the periphery of the "Mahal Hills", a KBA where quarrying may pose a significant threat to local biodiversity. Forestry is a primary economic activity, and wildfires during summer further challenge the ecological balance. There are no protected areas within a 5 km radius but the percentage of threatened species in the region is 9.5%. The area has high Overall Biodiversity Significance and a STARt value of "High".

Gloioxanthomyces vitellinus

Syd

In southern Sweden, there are five quarries: four extracting granite and one quartzite. The area is highly significant for biodiversity due to the presence of protected areas and KBAs. Nine KBAs are within a 50 km radius, including three Ramsar sites. These KBAs include coastal, riverine and marine environments, providing critical habitats for migratory and aquatic birds, spawning fish, and rare river ecosystems. There are 86 Protected Areas within a 5 km radius from the sites. At least three quarries are inside protected areas. In the considered buffer area of the quarries, 8% of the species are classified by the IUCN Red list as Critically Endangered, Endangered or Vulnerable. The STARt value for this area is below the global median, so it is considered irrelevant. The main threats to the local biodiversity are: human intrusion, pollution from agriculture and forestry, water regulation, urban development, renewable energy production, transportation, and invasive species.

CCB

In western Belgium, three limestone quarries are situated in the Wallonia region, near Tournai and the French border. The quarries lie within the Haine River basin, characterized by ponds, marshes, and grasslands, important for wintering and migrating waterfowl, including the Pluvialis squatarola and Alcedo atthis. Although six KBAs are within the Area of Influence, none of the quarries fall within these zones. Within a 5 km radius, there are four protected areas, including the Natura 2000 site "Bassin de l'Escaut en amont de Tournai." The primary threats to biodiversity are industrial expansion and the conversion of wet meadows into agricultural land. The area has a significant biodiversity value, but with just 6% of threatened species as classified by the IUCN Red List it does not have a significant STARt value.

AAL

In the southern part of the Limfjord, northern Jutland, Denmark, lies a chalk quarry adjacent to freshwater lakes, meadows, and agricultural lands. The area includes raised bogs, some converted to arable land and others preserved. Although the site is not within any Key Biodiversity Area (KBA), ten KBAs are within considered buffer area, including Lille Vildemose, Denmark's largest raised bog. This region, with mature mixed forests of Fagus and Quercus, provides crucial habitats for migratory birds like the Falco vespertinus and marine species such as the Balenoptera physalus and Squatina squatina. Within a 5 km buffer zone, there are two nationally designated terrestrial protected areas. The site holds significant biodiversity value with 9% of species classified as threatened by the IUCN Red List, but its calculated STARt value is not significant. Primary threats include peat extraction, invasive species, and transportation corridors.

Balaenoptera physalus

Falco vespertinus

K&D

Two sand and gravel quarries are located in southern Jutland, Denmark. The nearest KBA, "Tinglev Mose og Ulvemose," is 12.12 km away, designated as a KBA due to breeding species like Circus aeruginosus and Circus pygargus. The region, characterized by canals, lakes, rivers, and fertile soils, is predominantly agricultural, particularly cattle grazing. Quercus scrub and Fagus forest are crucial to the ecosystem. Within a 5 km radius, there are five protected areas designated by the Danish government. The primary threats to biodiversity are agricultural and aquacultural practices, invasive species, and recreational activities. In the area, 8.5% of the species are classified as threatened according to the IUCN Red List but the STARt value resulted to be not significant.

SWC

In the North Sinai Governorate, there are two limestone quarries considered as one due to their proximity. This site is 10 km from the El-Maghara protected area and 18 km from the Gebel Maghara KBA, which overlaps with the protected area by 70%. The zone receives 50-100 mm of rain annually, supporting diverse vegetation. The main threats to biodiversity for this area are overgrazing, ploughing, and extensive quarrying, which alter the landscape and affect habitats. The site could also impact Lake Bardawil and Zaranik KBA, located 46 km away. The overall Biodiversity Significance Score for the site is Medium due to its proximity to both a PA and KBA. However, its STAR Biodiversity Significance is low due to a low presence of endangered species. The STARt value resulted to be low despite the fact that 8.9% of the species are classified as threatened according to the IUCN Red List.

Ipoh

In Ipoh, Malaysia, there are two limestone quarries located in the eastern part of the city. These quarries are inside or at the limit of the Central Titiwangsa Range KBA, which is protected by several reserves covering around 45% of it. The area is characterized by tropical rainforest habitat, making it a biodiversity hotspot. The main threats include infrastructure development, highway construction, tourism, pollution, soil erosion, exotic species, conversion to oil palm and rubber, agriculture, pesticide pollution, logging, rising temperatures, and lake sedimentation. The quarries are close to 12 protected areas within a 25 km radius. This site has a high biodiversity significance score due to its proximity to the KBA and the presence of a high number of threatened species, accounting for 265 out of 2,511 species. The STARt value resulted to be high and 11% of the species are classified as threatened by the IUCN Red List.

Leptobrachella kecil

Anqing

Near the city of Anqing in Anhui province, China, there is a limestone quarry. This site is within the area of influence of two KBAs: the Anqing Wetlands (9 km away) and the Shengjin Hu Nature Reserve (27 km away), the latter being a protected Ramsar site. The area is characterized by wetlands and lakes, mainly due to the Yangtze River flood zones. The main threats are urban expansion and industrial development, leading to the loss of wetland areas. The overall Biodiversity Significance Score for this site is Medium, with a low potential impact on protected areas and a medium impact on KBAs due to proximity. The STAR Biodiversity Significance is low due to a low presence of endangered species. The STARt value resulted to be not relevant and 6% of the species are classified as threatened according to the IUCN Red List.

Ciconia boyciana

In addition to the assessment performed using iBAT, starting from 2025 Cementir will perform an in-person, site-specific assessment to deepen its understanding of the biodiversity-related aspects entailed by its activities. Furthermore, the future assessment will aim at refining the buffer zone radius chosen for the iBAT analysis, based on site-specific first-hand biodiversity information.

Considering the type of extraction activities carried out, the Group has identified a number of generic potential negative impacts on biodiversity.

Quarry type	Activity	Possible impact on biodiversity
All quarry types	Clearing vegetation and removing topsoil to access mineral deposits	**Habitat Loss**: Removal of trees, shrubs, and ground vegetation destroys habitats for birds, mammals, insects, and other species. **Soil Disturbance**: Strips away nutrient-rich topsoil, reducing the ability of native plants to regenerate. **Fragmentation**: Divides ecosystems, creating barriers for species movement and genetic exchange.
All quarry types	Use of heavy machinery (e.g., excavators, loaders) to extract and remove minerals	**Disruption of Soil Layers**: Disturbs soil ecosystems, killing microbes, insects, and plant roots vital to the food chain. **Loss of Microhabitats**: Destroys small niches, such as rock crevices or underground spaces, essential for certain species like lizards or small mammals.
All quarry types	Hauling excavated minerals by using trucks and conveyors	**Dust Generation**: Settles on nearby vegetation, reducing photosynthesis and plant health, which cascades to herbivores and pollinators. **Noise Pollution**: Disrupts animal communication and behaviour, particularly for species sensitive to sound (e.g., birds, bats). **Habitat Disturbance**: Continuous movement creates barriers for small animals crossing roads or tracks.
All quarries of the following types: Limestone Granite Quartzite Marl	Use of explosives to fragment rocks	**Noise and Vibration**: Disturbs wildlife, causing stress or forcing species to flee the area. **Habitat Loss:** Animals, particularly burrowing species, may be harmed directly by explosions or the collapse of their habitats. **Displacement**: Repeated blasting makes habitats inhospitable, pushing species to less suitable areas.
Kudsk & Dahl CCB	Dewatering of pits to prevent flooding and manage water use	**Lowered Water Tables**: Drains nearby wetlands or aquatic habitats, affecting amphibians, fish, and plants reliant on consistent water levels. **Water Quality Issues**: Runoff containing sediment or pollutants can degrade nearby water bodies, impacting aquatic species.
Aalborg Portland Kudsk & Dahl	Operating below the Water Table	**Aquatic Ecosystems Habitat Destruction**: Dredging disrupts or completely removes habitats for aquatic species like fish, molluscs, crustaceans, and aquatic plants. Benthic (bottom-dwelling) organisms are especially vulnerable, as their habitat is directly removed or altered. **Turbidity Increase**: stirring up sediments reduces water clarity, which can: - block sunlight, impacting photosynthesis for aquatic plants and algae; - smother eggs, larvae, and small organisms that rely on clear water.

In addition to the table above, which outlines the potential impacts of quarries based on their type of activity, the following paragraph will delve into the specific impacts, risks, and opportunities identified as relevant through the Group's double materiality assessment, in compliance with the ESRS.

Impact, risk and opportunity management

ESRS 2 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

For information regarding the process to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities, please refer to Chapter "General Information", sections "Impact materiality assessment" and "Financial materiality: risks and opportunities assessment".

The following table lists E4 "Biodiversity and ecosystems"-related impacts, risks and opportunities (IROs) identified and assessed as material as a result of Cementir's double materiality assessment process, including a brief description.
In addition, it also shows:
- whether impacts are positive or negative;
- the time horizon: short term (ST), medium term (MT), long term (LT);
- the scope of the value chain: upstream (U), own operations (OO), downstream (D).

Sub-topic	Material impact, risk or opportunity	Description	Time horizon	Scope of the value chain
E4 - Biodiversity and ecosystems				
Direct impact drivers of biodiversity loss	Negative impact	Quarrying activities can lead to habitat destruction, biodiversity loss, and environmental pollution. The lack of an effective environmental management plan can result in increased compliance costs and legal liabilities.	LT	U, OO
	Risk	Accessing ecologically sensitive areas and quarrying operations can lead to regulatory barriers, financial losses, and increased extraction costs due to ecosystem protection efforts.	ST	U, OO
Impacts on the extent and condition of ecosystems	Negative impact	Quarrying operations involve the removal of vegetation and topsoil, as well as the blasting and crushing of stone deposits.	ST	U, OO

As a goal for the coming year, the Group will utilize scenario analysis to further the identification and assessment of biodiversity and ecosystem-related risks and opportunities across short, medium, and long-term horizons. This approach will help ensure that the Group's business strategy remains resilient and adaptable to emerging trends and challenges.

Regarding the current status of the assessments conducted, it is noted that Cementir Group has internally evaluated all of its quarry locations by considering Key Biodiversity Areas, utilizing publicly available database systems.

Current assessments determine whether a quarry location falls within a Key Biodiversity Area or is adjacent to one.

The Group is committed to implementing a Biodiversity Management Plan at all sites sensitive to biodiversity by 2030 to minimize potential impacts.

In a number of quarries the Company is already implementing mitigation measures such as:

- Environmental Impact Assessments (EIA), monitoring activities, and ensuring compliance with all environmental permits at quarry sites;
- Progressive quarry rehabilitation practices to restore biodiversity post-extraction;
- Consultations with local communities and organizations to ensure that mitigation measures address local priorities.

E4-2 – Policies related to biodiversity and ecosystems

The Group Environmental Policy, outlined in the chapter "E1 Climate Change," section "Impact, Risk, and Opportunity Management," also provides guidelines on land use and biodiversity.

Specifically, the policy focuses on the following two areas of action:

1. **Identification and Mitigation of Ecosystem Impacts**
    - The policy requires to identify and assess the potential impacts of operations on ecosystems, and implementing mitigation actions to minimize any adverse effects.
    - The policy also requires the adoption of mitigation actions to minimize negative effects, with an emphasis on preventive measures rather than corrective actions.
2. **Biodiversity Management Plans**:
    - For areas of high biodiversity value, Cementir develops and implements biodiversity management and monitoring plans to protect habitats for both plant and animal species;
    - Rehabilitation and restoration plans are in place for all quarry operations to ensure the protection of biodiversity and ecosystem functionality post-extraction.

Overall, Cementir pays the utmost attention to ensure that corporate activities do not interfere with the biodiversity characteristic of the contexts in which the Company operates.

The analysis conducted revealed that the Company’s production activities pose indeed a potential relevant negative impact on natural and animal biodiversity in the areas where production facilities are located.

For such reason, the Group is committed to ensuring that its corporate activities do not disrupt the biodiversity and ecosystem characteristics of the regions where it operates.

Acknowledging the potential for significant negative impacts, the company prioritizes biodiversity and ecosystems at the core of its sustainability agenda.

Specifically, Cementir might add site-specific KPIs to monitor progress in biodiversity conservation, restoration, and stakeholder engagement.

Annual updates on these metrics will be incorporated into Company's reports to maintain transparency and accountability.

The Group has also issued the **Biodiversity and Rehabilitation Group Guideline**, which has been approved by the Group Chief Operating Officer, with the following objectives:

- To provide practical guidance for progressively implementing site-level rehabilitation practices and biodiversity management through the development of focused rehabilitation and management plans.
- To develop and implement biodiversity and rehabilitation plans at quarry and pit sites.
- To standardize and improve the quarry rehabilitation and biodiversity management process across the Group by planning, implementing, and sharing best practices at both existing and new sites.
- To ensure a common understanding and consistent reporting of KPIs on biodiversity and quarry rehabilitation, in line with cement and aggregate industry standards, thereby monitoring the performance of our commitments and supporting transparent communication with stakeholders.
- To leave sites safe and stable for future land use, which may or may not be related to biodiversity values.
- To identify biodiversity-sensitive sites and develop comprehensive life-cycle plans and strategies to avoid or minimize impacts, and even restore or enhance biodiversity value.
- To ensure compliance with all applicable laws and regulations, meeting minimum requirements for rehabilitation and biodiversity management at all extraction sites.
- To assess long-term impacts, risks, liabilities, and opportunities, including post-closure land use, and ensuring realistic financial provisions for the entire quarry lifetime, periodically updated.

The Guideline applies to all mineral extraction sites and activities of the operating companies within the Cementir parent company and its fully consolidated subsidiaries.

It aligns with industry standards and guidance, including the GCCA Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management and the CEMBUREAU Biodiversity Roadmap.

The Guideline also explores opportunities through Net Impact Assessment and offsets, with such evaluations planned to be carried out as part of the updated enterprise risk management process scheduled for 2025.

In order to deliver progress towards its objectives stated in its Biodiversity Guideline, the Group aims to deliver actions with a focus on the following **key areas**:

- Implementing a **Rehabilitation Plan** (RP) at all extraction sites, prioritizing legislative requirements and incorporating environmental (including biodiversity) and safety/site stability considerations.
- Developing a **Biodiversity Management Plan** (BMP) for sites sensitive to biodiversity, with the BMP complementing the RP. Some sites will require a standard RP with a biodiversity section, while others will need a comprehensive BMP.
- Following the mitigation hierarchy where possible and promoting opportunities to enhance biodiversity within the BMP.
- Enhancing stakeholder involvement throughout all stages of the RP and BMP, ensuring long-term sustainability through appropriate partnerships, resources, and engagement.
- Integrating a monitoring plan into the RP and BMP to track progress, measure performance, and implement corrective actions based on monitoring results, ensuring continuous improvement.

The **Group Environmental Policy** and the **Biodiversity and Rehabilitation Group Guideline** incorporate the identification and management of impacts and risks related to biodiversity and ecosystems, specifically:

- Recognizing that quarrying activities and production processes may lead to habitat loss, water resource impacts, and species disturbance.
- Addressing physical risks such as land degradation, as well as transition risks, including the introduction of stricter biodiversity regulations.
- Implementing the mitigation hierarchy to avoid unacceptable impacts, minimize any potential impacts, and ultimately mitigate residual impacts on local biodiversity through rehabilitation and compensation.

With regard to the adoption of land use policies, it is specified that the Group does not participate in agricultural activities.

However, Cementir land use practices are guided by sustainability principles to minimize environmental impact. These practices include:

- **Rehabilitation and Restoration:** Carrying out progressive quarry rehabilitation to restore natural habitats and promote long-term ecosystem health.
- **Land Stewardship:** Ensuring that post-quarry land use supports ecological needs, such as through reforestation efforts.

E4-3 – Actions and resources related to biodiversity and ecosystems

Currently, the Group is implementing Biodiversity Management Plans at key locations of interest, with a target to expand these plans to all sites of high biodiversity value.

The **Biodiversity Management Plan** addresses:

- **Current Status:** Parts of the reserve face challenges such as overgrowth due to insufficient grazing and management. Vegetation like birch, blackthorn, brambles, and wild rose is spreading, posing a threat to biodiversity.
- **Management Actions:** Efforts are focused on clearing overgrown vegetation, maintaining or introducing grazing, restoring open pastureland, and preserving biodiversity. Specific measures include:
    - Establishing grazing through fencing and collaboration with livestock owners.
    - Gradual removal of young birch and invasive shrubs.
    - Managing newly created amphibian ponds to support wildlife.
    - Addressing invasive plant species such as Armenian blackberry and sycamore maple.
- **Future Actions:** Plans for the period 2028-2032 will be shaped by the success of current measures. Expected tasks include further vegetation clearance, improvements to grazing practices, and habitat enhancement for endangered species such as Gentianella and thyme-associated butterflies.
- **Monitoring and Review:** Progress will be monitored, with updates and revisions planned every five years. Measures will be adjusted based on ecological developments and the effectiveness of the strategies implemented.

  Progressive Rehabilitation Projects: Group continues to implement rehabilitation projects progressively in the quarry areas parallel to its extraction activities.

  Stakeholder Engagement: Conducted consultations with local communities and conservation organizations to align restoration efforts with local biodiversity priorities.

Quarrying, the starting point of the Group's production cycle, goes beyond simple extraction; it reflects the Company's commitment to aligning its operations with nature.

Understanding the significant environmental impact linked to quarrying and raw material processing, the company has embraced a proactive strategy that aligns with contemporary sustainability principles and practices.

The Group's efforts are focused not only on reducing its ecological footprint but also on enhancing biodiversity and restoring natural habitats.

In this context, the concept of the **mitigation hierarchy** is introduced, which is central to shaping a structured approach to biodiversity management, aiming to avoid unacceptable impacts, minimize those that occur, and mitigate residual effects on local biodiversity through rehabilitation, compensation, or offset projects.

The hierarchy helps guide development projects towards achieving no net loss, or ideally, a net gain in biodiversity.

Rehabilitation may serve various purposes, but in some cases, it can significantly enhance biodiversity, thus mitigating any residual impacts. Where gains are limited, residual impacts can be mitigated through offsets or compensation measures.

The mitigation hierarchy, as defined in the Group's guidelines, includes:

- **Avoidance**: Measures taken to avoid impacts from the start (including direct, indirect, and cumulative impacts), such as careful placement of infrastructure to entirely avoid impacts on certain biodiversity components.
- **Minimization**: Measures implemented to reduce the duration, intensity, and/or extent of unavoidable impacts, as much as practically possible.
- **Rehabilitation/Restoration**: Actions aimed at rehabilitating or restoring ecosystems degraded by unavoidable impacts.
- **Offset**: Measures designed to compensate for significant residual, adverse impacts that cannot be avoided, minimized, or restored, ensuring no net loss (NNL) or even a net gain in biodiversity. Offsets may involve positive management interventions like restoring degraded habitats, halting degradation, or protecting areas facing imminent biodiversity loss.

Currently, the company applies avoidance, minimization, and rehabilitation/restoration actions at its quarries. Offset actions will require standardization and the development of performance indicators for monitoring, which the Group plans to study by 2025.

At the moment, the Group follows:

- **Strict adherence to compliance standards**, ensuring practices meet or exceed regulatory requirements.
- **Efficient and optimized use of mineral resources**, maximizing value while minimizing waste.
- **Sensitivity to environmental and ecological issues**, prioritizing the preservation of natural habitats and biodiversity.
- **Integration of alternative materials** into processes to reduce reliance on natural resources and support conservation and circularity.
- **Rigorous monitoring and management** of the Group's reserves to ensure sustainable use and replenishment.
- **Ongoing dialogue with stakeholders**, promoting transparency and collaboration in sustainability efforts.

A significant portion of raw materials is sourced from Cementir's own quarries, where the Group follows responsible and sustainable mining practices. The close proximity of these vital resources to the Company's production facilities is essential for business continuity, making their protection and efficient management a key strategic priority.

Through the use of digital technologies, Cementir has improved its quarry operations, enhanced efficiency and optimized resource use.

This strategic approach ensures that the materials extracted meet both economic viability and the Company's quality and quantity standards, all while minimizing the overall land footprint.

The financial resources allocated to the Biodiversity Management Plans are subject to periodic monitoring and include both operational expenses (OpEx) for the daily management of activities and capital expenditures (CapEx) for the management and maintenance of assets. These funds are aligned with the Group's 2030 roadmap and are integrated into the organization's routine management activities. In 2025 the Group intends to complete an on-site, in person, impact assessment of at least 10 of its quarries, for which 50,000 euros have been allocated in its budget.

In 2024, the Group increased efforts to replace natural resources with alternative raw materials.

For example, in Turkey:

- **Izmir Plant**: Utilized 540,000 tons of alternative raw materials and by-products/wastes from various sources, reducing the consumption of natural resources and environmental impact.
- **Trakya Plant**: Used 125,000 tons of alternative raw materials (65,000 tons of fly ash, 60,000 tons of bottom ash), marking a 42% increase in usage compared to 2023.
- **Elazig Plant**: Consumed 25,000 tons of fly ash and 25,000 tons of bottom ash, significantly contributing to land and reserve conservation. This represented a 213% increase in usage compared to 2023.
- **Kars Plant**: Used 2,500 tons of aggregates bypass dust as a clay substitute for aluminum sourcing, helping preserve clay reserves and land.

Cementir adopts a proactive approach of 'avoid, minimize, and mitigate' to address any land impacts arising from quarrying activities. Complying to all relevant land and environmental laws associated with quarry operations is fundamental for Cementir. The Group not only meets local requirements but also strives to implement international good practices for further enhancements. The strategy includes maximising use from authorized areas and reducing land disturbance, supported by comprehensive mining plans aiming at consistent and optimized quality of raw mixes.

The following are the main initiatives supported and implemented by the Group:

Kudsk & Dahl

Kudsk & Dahl, a Cementir's subsidiary producing aggregates in Denmark, is deeply committed to enhancing biodiversity and rehabilitation at its two quarries in Nr. Hostrup and Dybvad.

In 2023, Kudsk & Dahl released a Roadmap specifically addressing biodiversity and rehabilitation activities for its quarries, positioning itself as one of the first companies in Denmark's extractive industry to do so.

In 2024, the focus on biodiversity and rehabilitation continued, with ongoing efforts aimed at promoting biodiversity. Additionally, Kudsk & Dahl has transitioned several of its production machines in the gravel pits from diesel to electric, substantially reducing the environmental impact in terms of CO2 emissions, noise, and improving the working conditions for employees.

Moreover, in 2024 Kudsk & Dahl welcomed 3rd and 4th grade students from Grænseegnens Friskole to their gravel pit, where they were joined by a local bird expert from the Danish Ornithological Society.

The expert provided the students with insights into the local birdlife. During the visit, the students had the opportunity to build birdhouses, plant seeds, and create temporary habitats for various wildlife in the gravel pit.

This hands-on experience not only deepened their understanding of biodiversity but also supported conservation efforts in the area. Moving forward, Kudsk & Dahl will continue to prioritize such initiatives, ensuring their ongoing commitment to environmental sustainability and the well-being of their employees

CCB

CCB, with its depleted quarry in Gaurain, active quarry in Clypot and future quarry in Barry is continuously working on initiatives for enhancing biodiversity. Continuing from its involvement in the *'Life in Quarries Project'*, CCB is launching new initiatives for this purpose. CCB's commitment extends beyond the completion of the project, with a focus on maintaining and amplifying biodiversity actions. Upon the finalization of the project, all the commitments listed in the individual charter are framed legally dispensation for protected species granted by Belgian authorities.

Each year starting from 2022, a summary annual report has been drawn up in order to list the actions carried out and publish the monitoring indicators. Since 2022, the Group has been in the post-life phase which is a long-term commitment to maintain in-life actions for a period of 15 years.

Beyond any legal framework and requirement, and in line with this post-Life approach, another initiative for our future quarry in Barry, falls under the focus on biodiversity enhancement. The peripheral areas of quarry area have been identified as ideal for creating permanent ponds. These ponds can support many species of plants, amphibians, and dragonflies.

Some surface water management areas have been designed to create buffer zones that accumulate water and allow it to overflow back into the watercourse. This approach also helps slow precipitation runoff during flooding events.

During 2023, Group's initiatives started to bear fruits, with the accumulation of rainwater favoured by a clay-based substrate and the first aquatic plants starting to colonize the environment.

At the end of 2024, a wall specifically designed for sand martins was constructed at the Clypot quarry, providing a safe and suitable environment for the endangered species to nest peacefully. Since the inception of the Life project, the quarry has made continuous efforts to protect these birds by creating a limestone sand embankment from overburden materials. Sand martins, which typically nest in embankments or sandy cliffs, face significant challenges as their nests become more fragile. Torrential rains often destabilize these natural habitats, leading to embankment collapses that threaten their reproduction.

To address this, a detailed analysis was conducted to reinforce the embankment sustainably, ensuring it remains a critical component in the preservation of the species.

The project was made possible through close collaboration with the Parc Naturel Des Plaines de L'Escaut. The newly built "sand martin wall," which serves as a sanctuary for these birds, can now accommodate up to a hundred pairs, offering a secure environment for their reproduction. Additionally, a permanent pond has been established at the base of the embankment to mimic the ideal conditions of their natural habitat.

Gaurain Quarry Water Valorisation

Following the signing of an agreement with *Société Wallonie des Eaux (SWDE)* in 2022 for the supply of drinking water through pipelines and the protection of water resources intended for human consumption with a target of pumping 1,7 Mm³/y from the old quarry of Gaurain to SWDE to reach the drinkable water net (Transhennuyère), works in the quarry and on the pipe between the quarry and SWDE (Société Wallonnie des Eaux) station was initiated in 2023.

The project was completed in the fourth quarter of 2024, and pumping has begun for valorization, serving as an example of circularity.

Rehabilitation Of Dismantled Quarries and Restoration Of Biodiversity in Aalborg Portland

Aalborg Portland spans 1,200 hectares, with 188 hectares dedicated to cement production. The remaining 1,012 hectares consist of lakes, woods, meadows, brackish marshes, uncultivated land, and agricultural areas.

In 2023, a comprehensive holistic plan was developed for the limestone quarry area, outlining the potential to transform the site into a unique recreational area once mining activities are completed. In 2024, local residents and stakeholders were invited to provide input on how the area could be used for public activities, including hiking and biking trails, swimming and sailing zones, campgrounds, and more.

The core idea of the holistic plan is to create a scenic space with steep limestone slopes, gentle green hills, and opportunities for outdoor activities, while also preserving the area's rare and unique nature and wildlife. Construction of embankments and terraces has already started in specific areas of the quarry, while excavation continues safely on the opposite side.

Metrics and targets

E4-4 – Targets related to biodiversity and ecosystems

Although the company has not yet established measurable, results-driven objectives specifically focused on biodiversity and ecosystems, it is committed to incorporating such goals into its sustainability framework.

To address this gap, Cementir is launching a dedicated biodiversity and ecosystems project, supported by external expert services.

The project will focus on the following goals:

- **Perform a site-specific in-person impact assessment**: Deepen the biodiversity and ecosystem assessment performed for this report using the iBAT tool by gathering and elaborating evidence through in-person site-specific evaluation.

- **Develop a Group-Wide Strategy**: Create a standardized framework to manage biodiversity and ecosystems across all operations, setting clear objectives and targets.
- **Establish Metrics and Standards**: Define key performance indicators (KPIs) and adopt internationally recognized standards for monitoring and reporting biodiversity.
- **Quantify Consolidated Impacts**: Aggregate and analyze biodiversity data from all operational sites to evaluate the overall impact of the Group.
- **Align with Global Frameworks**: Align with the EU Biodiversity Strategy for 2030, the Kunming-Montreal Global Biodiversity Framework, and other relevant policies.

As of today, the following commitments and target can be referred to:

Cementir Holding Commitments and targets

- Define and implement Rehabilitation Plans for all active sites;
- The Group will have biodiversity enhancement recommendations to be integrated as part of Environmental Impact Assessments or Rehabilitation Plans for any new extraction site;
- The Company aims at assessing all extraction sites and identify the sites with high biodiversity value;
- Define and implement a Biodiversity Management Plan for all sites with high biodiversity value. Rehabilitation plan in all active sites by 2025: 100%.
- Biodiversity value assessment of active sites by 2030: 100%.
- Biodiversity value assessment of all sites and Biodiversity Management Plan for high biodiversity sites by 2030: 100%.

The targets included in this section are not yet linked to biodiversity metrics. However, the Cementir Group aims to define specific targets based on the in-depth, on-site biodiversity and ecosystem assessment planned for 2025.

Cementir Group's long-term view and targets to secure mineral deposits contribute to the development of more accurate and sustainable strategies, ensuring a balanced and responsible approach to resource extraction as well as allowing to follow the mitigation hierarchy especially for avoidance.

The Company is committed to the exploration and adoption of alternative resources, a move that significantly contributes to the reduction of CO_2 emissions, diminishes reliance on natural resources, and conserves existing reserves.

This approach not only mitigates the need for new extraction sites but also underscores Company's dedication to innovative and sustainable resource management.

E4-5 – Impact metrics related to biodiversity and ecosystems change

As outlined in ESRS E4.16 i., ii., iii., the analysis performed aimed at assessing the current ecological status of the different areas where Cementir Group's sites are located.

When deciding the parameters of our analysis we've adopted the most prudential of approaches, based on 50 km radius of a buffer zone.

As a result, as shown in the table below, the majority of sites appear to be highly significant for biodiversity considering such prudential buffer zone.

In coming years Cementir is launching a specific biodiversity project. As mentioned in E4.4, the aim of this project is to assess biodiversity and ecosystems considering impact, risk and dependencies at local level based to define site specific buffer zones and metrics.

The metrics in the table below were chosen based on the relevant negative impacts that can be expected in the considered buffer zone on Biodiversity and Ecosystem topic - Direct impact drivers of biodiversity loss, Impacts on the extent and condition of ecosystems - which refer to habitat destruction, as well as the removal of vegetation and topsoil, activities carried out by the company, as possible causes of biodiversity loss.

The following table summarises the main characteristics and the chosen metrics, by site and its related cluster. In particular the sites have been classified using the following parameters:

- **Site surface** (hectares): the surface of the quarry is a metric of land use change and it is used as a proxy metric for potential negative impacts on nature;
- **Overall Biodiversity Significance** is a composite score that aggregates three biodiversity significance metrics (proximity to Protected Areas and KBAs, and STAR score), thus providing with a synthetic high-level indicator, reflecting the presence and significance of PAs and KBAs - whose list might be updated over time - and the summary of the STAR metrics (explained in detail in paragraph 16). The significance is ranked as Low, Medium or High. The results in the table below are reported from the highest to the lowest Biodiversity Significance value;
- **Number of threatened species** in the areas where the sites are located, calculated as the sum of critically endangered (CR), endangered (EN) or vulnerable (VU) species over the total number of species classified on the IUCN Red List that potentially occur within 50 km of each site. This is not a proxy, such as land use, but a direct metric of the health of the local ecosystem.
- **STARt score** is a composite metric of the conservation status of local species. It is not a proxy, such as land use, but a direct metric of biodiversity. With a scale ranging from “none” to “high”, higher STARt scores identify areas with higher numbers of threatened species, and/or that cover a higher proportion of each threatened species’ range, whereas sites with a STARt score of “none” do not exceed the threshold established for threatened species[18].

[18] According to the assessment performed through iBAT, a site is considered sensitive according to the STAR Threat Sbatement metric if its STARt score exceeds the global median value of 0.01.

Site name	Cluster name	Site surface (ha)	Overall Biodiversity significance	Number of threatened species[19]/Total	STARt score
Ipoh limestone 2 (CasaBayan)	Ipoh, Malaysia	2.7	High	265 / 2510	High
Ipoh limestone 1		12.1	High	265 / 2511	High
Torbali limestone 2	Torbali, Turkey	6.2	High	109 / 1146	High
Torbali limestone 1		30.6	High	109 / 1146	High
SYD granite Oved	Sweden	17.0	High	62 / 849	None
CCB limestone Barry	Belgium	9.8	High	53 / 896	None
CCB limestone Antoing		26.5	High	54 / 895	None
Izmir limestone 3	Izmir, Turkey	5.4	High	96 / 980	None
Izmir limestone 2		16.8	High	96 / 980	None
SYD quartzite Hardeberga	Sweden	58.0	High	72 / 915	None
K&D sand gravel 2	Denmark (sand and gravel)	48.0	High	83 / 973	None
K&D sand gravel 1		41.6	High	83 / 973	None
AAL chalk	Denmark (chalk)	237.0	High	76 / 837	None
SYD granite Stenberget	Sweden	21.0	High	66 / 880	None
SYD granite Dalby		110.0	High	69 / 903	None
izmir limestone 4	Izmir, Turkey	6.3	High	96 / 980	None
Izmir limestone 1		59.7	High	96 / 980	None
SYD granite NorraRorum	Sweden	31.0	High	69 / 903	None
Izmir clay	Izmir, Turkey	14.0	High	98 / 999	None
Mugla limestone 2	Mugla, Turkey	5.6	High	104 / 1010	High
Mugla limestone 1		9.2	Medium	101 / 1003	Low
Kars pumice	Kars, Turkey	3.6	Medium	47 / 554	Medium
Trakya clay 2	Trakya, Turkey	0.1	Medium	57 / 1011	None
Trakya clay 1		22.3	Medium	57 / 1010	None
Trakya limestone		44.3	Medium	57 / 1010	None
Anqing limestone	Anqing, China	14.4	Medium	46 / 739	None
SWC limestone 2	Egypt	22.6	Medium	61 / 685	Low
SWC limestone 1		51.3	Medium	60 / 682	Low
CCB limestone Clypot	Belgium	88.4	Medium	55 / 890	None
Elazig marl 2	Elazig, Turkey	2.1	Medium	27 / 456	Low
Elazig marl 1		15.8	Medium	27 / 456	Low

[19] Including Critically Endangered, Endangered, and Vulnerable species, as classified by the IUCN Red List.

Elazig pumice		6.8	Medium	28 / 461	None
Elazig limestone 2		1.1	Medium	27 / 454	None
Elazig limestone 1		28.0	Medium	28 / 464	None
Elazig limestone 3		0.2	Medium	26 / 455	None
Kars clay 2	Kars, Turkey	0.7	Low	49 / 549	None
Kars clay 1		7.2	Low	49 / 549	None
Kars limestone		33.4	Low	49 / 548	None

E5 RESOURCE USE AND CIRCULAR ECONOMY

Impact, risk and opportunity management

ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

For information regarding the process to identify and assess material resource use and circular economy-related impacts, risks and opportunities, please refer to Chapter “General Information”, sections “Impact materiality assessment” and “Financial materiality: risks and opportunities assessment”.

E5-1 Policies related to resource use and circular economy

In order to manage its relevant impacts, risks and opportunities related to resource use and circular economy, Cementir has an Environmental Policy in place (please, refer to the General Information section to deep dive), which applies to all operational activities within the Cementir Group.

Each operating company is responsible for implementing the directives and guidelines of the policy, integrating them as a vital part of its Environmental Management System.

The Group aims to increase the use of alternative fuels, including low-carbon fuels and biomass, while adopting a co-processing and circular approach to using waste as fuel.

To minimize the use of non-renewable resources, the Group is committed to using decarbonized and alternative raw materials. This includes a progressive reduction in the use of virgin resources and a corresponding increase in the use of secondary resources, such as concrete-based demolition waste, to replace natural aggregates in concrete production.

In terms of waste management, the Group focuses on treatment plants that convert waste back into fuel. Efforts are also made to minimize the production of hazardous waste and to enhance recycling, recovery, and reuse through a circular approach.

Finally, the Group is committed to improving environmental integration between the cement and waste treatment sectors, further supporting the transition to renewable and alternative resources.

E5-2 Actions and resources related to resource use and circular economy

The Group is committed to adopting a co-processing and circular approach both for the management of wastewater discharges and for the waste produced.

Regarding the activities of recovery and reuse of wastewater, please refer to chapter “E3 Water and marine resources”.

Co-processing of waste in cement kilns is an established and environmentally effective option and a circular solution for end-of-life materials. It not only recovers the energy content of the waste but also recycles its mineral content into high-value products. Co-processing results in the reduction of raw materials and fossil fuel consumption mitigating the effect of green-house gases. It also offers an effective solution to the waste management (e.g., storage and disposal).

For example, co-processing of waste allows for prevention of plastic pollution in the environment and avoiding options not environmentally sustainable such as disposal in landfills.

Waste is not only a source of recyclable materials, but also alternative fuels with a high calorific value. The Group is therefore committed to this dual-purpose use.

From a business perspective, the Group was one of the leading industrial players to capitalise on these opportunities and since 2009 has been operating in the renewable energy, urban and industrial waste management and processing sectors. These operations are conducted through Recydia, which owns the Sureko businesses in Türkiye.

Through its modern facility located to the west of the city of Izmir, Sureko is involved in the management of industrial and hazardous waste and the production of alternative fuels that are used at the Izmir plant (further details in the box *'An integrated waste management solution'* in section "E5-5 Resource outflows").

Company's plants use the latest biological technologies to produce alternative fuels and thermal energy, minimising landfill waste and contributing to the reduction of greenhouse gas emissions.

Storage of urban waste releases methane, a greenhouse gas with a polluting effect 21 times greater than that of carbon dioxide. Therefore, using urban waste as an alternative fuel in cement plants is fundamentally important because it contributes to the sustainable disposal of waste and reducing the negative effects of greenhouse gases. Moreover, unlike the process in waste-to-energy plants, use of waste as an alternative fuel in cement plants does not produce residues, as the ash derived from combustion is recycled in cement production.

Deepening the use of waste as an alternative fuel reveals how the Group applies circular economy principles. Behind the use of alternative fuels derived from industrial and solid urban wastes, there are major environmental advantages, both because it reduces the use of fossil fuels and because it offers a solution to the problems of storage and disposal.

This approach allows resources to remain in use for longer periods, extracting maximum value from them. In addition, reuse and recycling contribute to environmental footprint reduction by helping to improve sustainability within the cement value chain.

The financial resources allocated to waste monitoring and reporting activities are subject to periodic monitoring and include both operational expenses (OpEx) for the daily management of activities and capital expenditures (CapEx) for the management and maintenance of assets. These funds are aligned with the Group's 2030 roadmap and are integrated into the organization's routine management activities.

Metrics and targets

E5-3 Targets related to resource use and circular economy

At the moment, the Group has targets related circular economy approach referring to resource use and in particular alternative fuels (please refer to Chapter E1 Climate Change, section E1-5 Energy consumption and mix).

The established processes are integrated into the Technical Department mission and related job description, which is responsible for ensuring adherence to the Group's Environmental Policy.

The Group constantly monitors waste production generated by its activities and adopts waste management solutions that allow recycling and/or reusing based on an environmental circular approach.

For further details on this aspect, please refer to sections “E5-2 Actions and resources related to resource use and circular economy” and “E5-5 Resource outflows”.

E5-4 Resource inflows

Materials used in resource inflows	Uom	Amount		
		2024	2023	2022
Overall total weight of products and technical and biological materials used during the reporting period[20]	ton	24,683,056	24,096,799	25,314,131
Percentage of **biological materials** (and biofuels used for non-energy purposes) used to manufacture the undertaking’s products and services (including packaging) that is sustainably sourced, with the information on the certification scheme used and on the application of the cascading principle	%	0	0	0
Weight, in **absolute value**, of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking’s products and services (including packaging)	ton	1,711,578	1,752,381	1,675,008
Weight, in **percentage**, of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking’s products and services (including packaging)	%	12%	12%	11%
Weight, in **absolute value**, of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking’s products and services (including packaging)	ton	72,218	72,989	101,318
Weight, in **percentage**, of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking’s products and services (including packaging)	%	1%	1%	1%

The data reported in the table have been calculated using a mass balance determined by mass measurement devices.

Alternative raw materials

Cement production requires large quantities of natural raw materials, such as limestone, clay and gypsum, extracted from natural quarries using various methods. These are initially mixed to produce the meal from

[20] Please note that the total reported is composed of the total of raw materials, both renewable and non-renewable, used for cement production and the total of raw materials, both renewable and non-renewable, used to produce "other products."

For details regarding these elements, please refer to the tables below.

which the clinker is made and subsequently added to the clinker and milled to obtain different types of cement.

The Group is particularly focused on the environmental aspects associated with its operations, with the aim of limiting their impact on ecosystems and on the areas concerned. In this sense, it continues its commitment to reducing the use of non-renewable raw materials, promoting the use of alternative raw materials, so called because they do not originate from quarries but from other production processes.

In 2024, the cement production plants of the Cementir Group used a total of about 14.7 million tons of materials to produce cement and the percentage of alternative raw materials was 12%.

Raw materials used in cement production	Unit	2024	2023	2022
Non-renewable raw materials	t	13.014.089	12.945.259	13.228.832
Renewable raw materials	t	1.711.578	1.752.381	1.675.008
Total	**t**	**14.725.667**	**14.697.640**	**14.903.840**
Renewable raw materials as a percentage of total raw materials used	%	12%	12%	11%

Non-renewable raw materials used in cement production	Unit	2024	2023	2022
Limestone	t	10.050.688	10.054.479	10.410.689
Clay	t	980.919	993.046	1.109.975
Gypsum	t	406.257	415.316	422.458
Marl	t	611.016	535.594	312.606
Sand	t	433.632	469.806	483.783
Pozzolana	t	190.542	156.034	161.811
Admixtures	t	9.710	10.757	13.263
Auxiliaries	t	0	0	0
Stone	t	0	0	0
Calcium fluoride	t	70.145	52.060	62.537
Bauxite	t	19.059	12.791	7.772
Iron ore	t	144.515	148.079	151.648
Other materials	t	97.605	97.297	92.291
Total	**t**	**13.014.089**	**12.945.259**	**13.228.832**

Renewable materials used in cement production	Unit	2024	2023	2022
Fly ash	t	539.339	548.837	502.673
FGD gypsum	t	54.858	67.381	80.197
Iron oxide	t	79.391	37.518	48.648
Blast-furnace slag	t	327.546	296.153	327.550
Recovered limestone	t	169.763	180.325	255.828
Excavated waste soil (clay)	t	314.577	418.658	254.396
Other materials	t	226.103	203.509	202.532
Total	**t**	**1.711.578**	**1.752.381**	**1.671.824**

In 2024, Cementir Group plants for all the other activities different from cement production used a total of 10 million tons of raw materials, mainly in the ready-mix business where there is high usage of sand, stone, and cement.

Use of renewable raw materials is far lower than in the cement business (about 72,000 tons) it is less than 1% of total raw materials used.

Raw materials used in production for others product	Unit	2024	2023	2022
Non-renewable raw materials	t	9.885.171	9.326.170	10.308.973
Renewable raw materials	t	72.218	72.989	101.318
Total	**t**	**9.957.389**	**9.399.159**	**10.410.291**
Renewable raw materials as a percentage of total raw materials used	**%**	**0,73%**	**0,78%**	**0,98%**

Non-renewable raw materials used in production for others product	Unit	2024	2023	2022
Sand	t	2.426.220	2.505.524	3.097.152
Admixtures	t	15.102	131.593	17.056
Auxiliaries	t	8	11	9
Cement	t	1.448.189	1.294.786	1.493.943
Stones	t	5.971.301	5.386.372	5.691.886
Clay	t	6	394	
Steel fibre	t	6.136	7.125	8.416
Basalt fibre	t	197	22	5
Plastic macrofibre	t	30	214	288
Colour pigment	t	76	129	146
Other materials	t	17.905	0	72
Total	**t**	**9.885.171**	**9.326.170**	**10.308.973**

Renewable materials used in production for others product	Unit	2024	2023	2022
Fly ash	t	54.836	63.356	86.971
Microsilica	t	6.696	6.691	11.689
Blast-furnace slag	t	10.686	2.942	2.658
Total	**t**	**72.218**	**72.989**	**101.318**

E5-5 Resource outflows

An integrated waste management solution

The Group continued to adopt waste management solutions that promote recycling and/or reuse based on an environmental circular approach. For example, increasing the use of alternative raw materials and fuels (e.g., derived from waste) in cement production is a key strategy to reduce its environmental footprint.

In cement production, Cementir maximizes the reuse of clinker kiln dust in the production loop, where possible, minimizing waste disposal in landfills.

In ready-mix concrete production, the Group reuses concrete-based demolition waste as a substitute for natural aggregates in new preparations, where permitted by local regulations.

In the cement industry, the Group's waste is primarily generated by the periodic maintenance of machinery and equipment (e.g., used oil and scrap metal), as well as from warehouses and offices. Waste is properly separated and managed according to its classification and characteristics, in compliance with local regulations.

In 2024, 99.6% of the total waste produced by the Group was non-hazardous. 87% of hazardous waste was sent for recycling and recovery operations (e.g., electrical and electronic waste for metal recovery, hazardous waste used in cement production to produce RDF). Approximately 60% of the total waste produced was directed to recycling and recovery.

Throughout the year, the Group received no fines or penalties related to waste management.

Information inherent in the waste generated	Udm	Quantity		
		2024	2022	2023
Total amount of waste generated	**Ton**	**392.178**		**367.203**
Waste not intended for disposal	Ton	277.362		235.930
Hazardous waste not intended for disposal	Ton	696		894
of which:				
preparation for reuse	Ton			
recycling	Ton	515		765
other recovery operations	Ton	182		129
Non-hazardous waste not destined for disposal	Ton	276.666		235.036
of which:				
preparation for reuse	Ton			
recycling	Ton	275.107		234.464
other recovery operations	Ton	1.559		572
Waste destined for disposal	Ton	114.815		131.273
Hazardous waste destined for disposal	Ton	169		75
of which:				
incineration	Ton	27		56
disposal in landfills	Ton	133		17
other disposal operations	Ton	9		1
Non-hazardous waste destined for disposal	Ton	114.647		131.198
of which:				
incineration	Ton	107		73
landfill disposal	Ton	85.935		110.046
other disposal operations	Ton	28.605		21.079
Total amount of waste not recycled	**Ton**	**114.815**		**131.273**
Percentage of waste not recycled	%	29,30%		35,70%

The data reported in the table have been calculated using a mass balance determined by mass measurement devices.

EU TAXONOMY

The EU Taxonomy has been introduced by Regulation EU/2020/852 (also referred to as the «EU Taxonomy Regulation») as part of the European Commission's action plan to redirect capital flows towards a more sustainable economic system. The Taxonomy represents a classification system to establish which economic activities can be considered environmentally sustainable. The purpose of this Regulation is to protect private investors from greenwashing while simultaneously assisting companies in understanding what types of investments are required to make their business activities sustainable from an environmental standpoint.

The six environmental objectives to which economic activities can potentially contribute as Taxonomy-eligible activities are:

1) Climate Change Mitigation;
2) Climate Change Adaptation;
3) Sustainable Use of Water and Marine Resources;
4) Transition to a Circular Economy;
5) Pollution Prevention and Control;
6) Protection and Restoration of Biodiversity and Ecosystems.

To be classified as Taxonomy-aligned, and therefore environmentally sustainable, eligible activities must:

- substantially contribute to the achievement of at least one of the six aforementioned environmental objectives;
- do not significantly harm (DNSH) any of the other environmental objectives;
- comply with the minimum safeguards criteria pertaining to human and labour rights, bribery, taxation, and fair competition.

Starting from their annual reports on fiscal year 2022, non-financial corporations were required to extend the analysis of eligibility conducted on fiscal year 2021 by reporting on the level of alignment of their economic activities. However, as of 2023, technical screening criteria had only been published with reference to the environmental objectives of climate change mitigation and climate change adaptation. Consequently, Cementir Group’s 2022 Taxonomy disclosure only focused on the requirements set out for the two climate-related environmental objectives.

For the present disclosure on fiscal year 2023, the remaining environmental delegated acts having been published, the analysis includes the required screening of eligibility and alignment to the objectives of climate change mitigation and climate change adaptation plus the required screening of eligibility to the remaining objectives. On a voluntary basis, as detailed below, Cementir has also conducted the alignment analysis in relation to the identified eligible activity to the remaining environmental objectives.

Looking ahead, the Group is closely monitoring the developments of the EU Taxonomy in relation to the possible development of a social and governance Taxonomy and to the compliance with the Corporate Sustainability Reporting Directive (CSRD) that will require to integrate the Taxonomy disclosure in a dedicated section of its Management Report.

Eligibility Assessment

In continuity with the activities performed in the previous years, Cementir conducted the eligibility assessment by associating the Group’s economic activities with the descriptions of the eligible activities provided by the Taxonomy Delegated Acts and used the activity codes of the Statistical Classification of Economic Activities in the European Community (NACE codes) as a guide. During this phase, only the inclusion of the Group’s economic activities among those listed by the delegated acts has been gauged, irrespectively of whether such activities were suitable to meet any of the technical screening criteria established by the Regulation. From this analysis, Cementir Group identified the following eligible economic activities:

Table 1: Eligible Activities

Activity	Description	Climate Change Mitigation	Climate Change Adaptation	Sustainable use and protection of water and marine resources
2.1 Water Supply	Construction, extension, operation, and renewal of water collection, treatment and supply systems intended for human consumption based on the abstraction of natural resources of water from surface or ground water sources.			ü
3.7. Manufacture of cement	Manufacture of cement clinker, cement or alternative binder.	ü	ü	
4.25 Production of heat/cool using waste heat	Construction and operation of facilities that produce heat/cool using waste heat.	ü	ü	
5.5. Collection and transport of non-hazardous waste in source separated fractions	Separate collection and transport of non-hazardous waste in single or comingled fractions aimed at preparing for reuse or recycling.	ü	ü	
5.9 Material recovery from non-hazardous waste	Construction and operation of facilities for the sorting and processing of separately collected non-hazardous waste streams into secondary raw materials involving mechanical reprocessing, except for backfilling purposes.	ü	ü	

The identified eligible activities are equivalent to the ones identified for fiscal year 2023.

Lastly, it should be emphasized that the economic activities that have not been identified as Taxonomy-eligible are simply not included in the EU Taxonomy Regulation at present and, therefore, do not constitute any form of non-compliance. This is the case for the production of white cement, ready-mix concrete, aggregates, and concrete products, activities which are not yet included in the Delegated Acts of the EU Taxonomy Regulation and represent 62.79% of Cementir Group's 2024 total turnover.

Please find in the table reported in the next page the list of the Group's legal entities linked to each eligible economic activity identified:

Table 2: Group's legal entities – eligibility

Activity 2.1 Water Supply

Compagnie des Ciments Belges S.A.	Recovery and potabilization of water removed during the exploitation of our quarry of limestone in Clypot (Belgium)

Activity 3.7 Manufacture of cement

Cimentas AS	Production of grey cement only with its plants located in Izmir and Trakya.
Kars Cimento AS	Production of grey cement only.
Elazig Cimento	Production of grey cement only.
Aalborg Portland A/S	Production of grey cement and white cement. Only the grey cement portion will be considered in the analysis
Compagnie des Ciments Belges S.A.	Production of grey cement, ready-mix concrete and aggregates. Only the grey cement portion will be considered in the analysis.
Aalborg Islandi	Does not produce grey cement, but resells grey cement purchased intra-group.
CCB France	Does not produce grey cement, but resells grey cement purchased intra-group.
Spartan Hive	Does not produce grey cement, but resells grey cement purchased intra-group.

Activity 4.25 Production of heat/cool using waste heat

Aalborg Portland A/S	Recovery of waste heat used for district heating in the area surrounding the plant.

Activity 5.5 Collection and transport of non-hazardous waste in source separated fractions

Sureko SA	Collecting and transporting hazardous and non-hazardous waste.

Activity 5.9 Material recovery from non-hazardous waste

Sureko SA	Recycling materials produced (ferrous materials, aluminium etc.) and recovery fuels (RDF/SRF)

Alignment Assessment

As anticipated, for its 2024 non-financial disclosure, Cementir Group is required to conduct the alignment analysis for the identified eligible activities to the objectives of climate change mitigation and climate change adaptation. The Group has also conducted the alignment analysis for activity *2.1. Water Supply*, eligible to the objective of sustainable use of water and marine resources.

As a result of the alignment analysis, Cementir Group identified Taxonomy-aligned economic activities for three legal entities within the scope of eligibility:

- Cimentas A.S. limited to the operations taking place in Trakya's plant for activity *3.7. Manufacture of cement*;
- Aalborg Portland A/S for activity *3.7. Manufacture of Cement* limited to the grey cement production and for activity *4.25. Production of heat/cool using waste heat.*

For these activities, Cementir Group has been able to meet all the respective technical screening criteria detailed in the Delegated Acts of the EU Taxonomy Regulation.

In relation to activity *2.1. Water Supply*, it should be considered as an individual measure enabling the target activity to become low-carbon or to lead to greenhouse gas reductions. Its voluntary alignment assessment resulted in partial compliance due to the non-applicability of several of the technical screening criteria. Awaiting to witness the application of such criteria on a broader scale and the possibility to conduct deeper research on the subject, activity *2.1. Water Supply* is not considered aligned in light of the present disclosure. With special regard to activity *3.7. Manufacture of cement,* the Group's core business, alignment was found to be limited to two legal entities because of the ambitious emissions thresholds set out by the criteria of Substantial Contribution to Climate Change Mitigation and of Do Not Significant Harm to Climate Change Mitigation. As of 2024, the plants of Aalborg Portland A/S, and Cimentas A.S. - Trakya respect one such limitation on emissions – the one set by the Do Not Significant Harm to Climate Change Mitigation. However, as further explained below, the Group has developed an investment plan which will allow to cut GHG emissions on several other plants in the coming years.

Compared to 2023 the Manufacture of Cement in the Belgian legal entities Compagnies des Ciments Belges S.A did not meet emissions thresholds set out by the criteria of Substantial Contribution to Climate Change Mitigation.

The nonalignment is mainly due to the revamping of the main kiln operating in Belgium.

in 2024 the plant runed with an older kiln of the emissions emitted. The criteria were not met but only temporarily because in 2024 the Company operated with an older kiln that influenced the results and worked on revamping and optimization of the other kiln. The old kiln has been dismissed at the end of 2024 and the new revamped kiln has been set to improve the Co2 emissions with the aim to reach the required threshold and lower its emissions.

Despite representing a residual part of Cementir Group's business activities, the production of heat recovered from Aalborg's Klin operations has been assessed as aligned with the EU Taxonomy as it is conducted by respecting all technical screening criteria.

As for the 2022 disclosure, activities *5.5. Collection and transport of non-hazardous waste in source separated fractions* and *5.9. Material recovery from non-hazardous waste* could not be considered Taxonomy-aligned due to the non-compliance with the criteria of Substantial Contribution to Climate Change Adaptation and of Do Not Significant Harm to Climate Change Adaptation. In fact, while an assessment of the physical climate risks has been conducted for the Group's cement producing facilities, for the moment such analysis has not been extended to legal entities conducting waste management activities. Based on the gaps identified in our analysis, it was deemed reasoned to assign the percentage of eligibility of these activities to the objective of Climate Change Adaptation.

Substantial Contribution and Do No Significant Harm (DNSH)

As required, all identified eligible economic activities were screened to assess the compliance with the Substantial Contribution criteria and the Do No Significant Harm criteria. The analysis allowed to distinguish between eligible-not aligned activities and eligible-aligned activities. We hereby report the assessment results of the eligible-aligned activities.

Activity 3.7 Manufacture of Cement (Aalborg Portland A/S, Cimentas A.S. – Trakya)

Requirements	**Elements of compliance**
Substantial Contribution to Climate Change Adaptation	For all its cement production facilities Cementir Holding N.V. conducted a physical climate risk assessment in line with the provisions of the Taxonomy Regulation. In accordance, the appropriate adaptation solutions for the identified risks have been assessed and implemented.
Do No Significant Harm Climate Change Mitigation	For Aalborg Portland A/S, Cimentas A.S. – Trakya and, the greenhouse gas emissions from grey cement clinker production processes are lower than 0.816 tCO_2e per ton of clinker manufactured.
Do No Significant Harm Use and Protection of Water and Marine Resources	Environmental degradation risks related to preserving water quality and avoiding water stress have been identified and addressed and a water use and protection management plan has been developed accordingly. For Aalborg Portland A/S the Environmental Impact Assessment was carried out in accordance the most up to date European Directives. For Cimentas A.S. - Trakya the Environmental Impact Assessment was carried out in accordance with equivalent local regulation and standards.
Do No Significant Harm Pollution Prevention and Control	Neither activity leads to the manufacture, placing on the market or use of substances included in Appendix C of Annex I to the Climate Delegated Act. Moreover, emissions from all three plants are in line with the BAT-AEL ranges and no significant cross-media effects occur[21]. In accordance, measures are in place to ensure the safe handling of waste in the manufacturing of cement employing hazardous wastes as alternative fuels.
Do No Significant Harm Protection and Restoration of Biodiversity and Ecosystems	For Aalborg Portland A/S the Environmental Impact Assessment was carried out in accordance with the most up to date European Directives. The Environmental Impact Assessments carried out for the sites of Cimentas A.S. Trakya were conducted in accordance with local regulation and standards equivalent to the European ones.

[21] For information about cross-media effects, please refer to *ecm_bref_0706.pdf (europa.eu)*

4.25 Production of heat/cool using waste heat (Aalborg Portland A/S)

Requirements	Elements of compliance
Substantial Contribution to Climate Change Mitigation	The activity produces heat or cool from waste heat.
Do No Significant Harm Climate Change Adaptation	For all its cement production facilities Cementir Holding N.V. conducted a physical climate risk assessment in line with the provisions of the Taxonomy Regulation. In accordance, the appropriate adaptation solutions for the identified risks have been assessed and implemented. Being the activity under scrutiny conducted within the Aalborg Portland A/S plant, the assessment was deemed sufficient.
Do No Significant Harm Transition to a Circular Economy	The activity uses equipment and components of high durability and recyclability and that are easy to dismantle and refurbish.
Do No Significant Harm Pollution Prevention and Control	The pumps and equipment of the Aalborg Portland A/S plant comply with the top-class requirements of the energy label.
Do No Significant Harm Protection and Restoration of Biodiversity	The Environmental Impact Assessment for Aalborg Plant A/S was carried out in accordance with the most up to date European Directives.

It is worth noticing that the compliance with the criteria for both Substantial Contribution and Do No Significant Harm for the objective of Climate Change Adaptation across all the identified taxonomy-aligned economic activities is the outcome of the Physical Climate Risk Assessment conducted by the Group. The risks associated with 7 climate change hazards (namely water stress, floods, heatwaves, cold waves, hurricanes, wildfires and sea level rise) have been analysed based on a medium- and long-term scenario-analysis on the geographical locations in which Cementir Group owns cement production facilities. Such analysis allowed the Group to determine which of these risks need to be considered material and what kind of adaptation solutions need to be implemented to prevent negative effects in sensitive geographical areas. In particular, the assessment was based on 3 different climate scenarios (High Climate Change Scenario RCP8.5, Moderate Climate Change Scenario RCP4.5, Low Climate Change Scenario RCP2.6), using 2020 as the baseline and projecting the respective effects at 2030 and 2050. For further information regarding the analysis please refer to paragraph "Climate-related scenario analysis".

With regard to the Do No Significant Harm criteria to the objective of Climate Change Mitigation in relation to activity 3.7 Manufacture of cement, the Climate Delegated Act defines thresholds of greenhouse gas emissions for unit of grey cement and clinker produced which the producing plants must not surpass in order to meet the criteria for alignment. According to the Climate Delegated Act, the amount of GHG emissions considered needs to be calculated by adopting the methodologies detailed by regulation EU/2019/331, used for determining the allocation of emission allowances in the context of the European Union Emissions Trading System (EU ETS). Accordingly, Cementir Group assessed the emissions of all its plants producing grey cement against the emission thresholds defined by the EU Taxonomy Regulations for both the production of grey cement and clinker. While the amount of emissions per ton of grey cement manufactured currently exceeds the threshold for all existing plants, emissions per ton of clinker produced have been recorded below the established threshold for the plants of Trakya (Cimentas A.S.) and Aalborg Portland A/S. In the context of the Group's 2030 Roadmap described in the paragraph "Cementir Roadmap 2030", Cementir Holding N.V. identified a series of investments aimed at progressively reducing the amount of emissions associated with cement production activities by recurring to both incremental efficiency-driven interventions and disruptive technologies which could considerably improve the environmental performance of the Group's cement producing facilities. According to such investment plan, most of the Group's plants producing grey cement and clinker will reduce emissions below the thresholds defined within the EU Taxonomy Regulation by the year 2030, thus allowing other Cementir's grey cement production plants to reach alignment (in case all other technical screening criteria will still be met by these plants).

Please, find in the following table the share of Capex invested in 2024 as part of the 2030 Roadmap:

Aligned Roadmap Capex **EUR**	**2022**	**2023**	**2024**
Aalborg Grey Cement	5,297,294	5,355,470	2,787,048
CCB Grey Cement	14,645,000	10,700,000	41,083,142
TOTAL	**19,942,294**	**16,055,470**	**43,870,000**

Minimum Safeguards

Compliance with the minimum safeguard criteria was assessed based directly on Art. 18 of the Regulation 852/2020 and on 'Final Report on Minimum Safeguards' published in October 2022 by the Platform on Sustainable Finance (PSF), the advisory body constituted by the European Commission to coordinate the development and the implementation of the EU Taxonomy Regulation. The analysis focused on whether Cementir Group respects the OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines) and the UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work and The International Bill of Human Rights.

More specifically, Cementir Group's assessment for compliance was based on the following 4 areas of analysis for which it has not been convicted in court cases:

- human rights: Cementir Group annually conducts due diligence activities focused on human rights by having all legal entities undergo a self-assessment survey and conducting related audits to verify the accuracy of the information reported. Cementir operates to promote and ensure that these are respected in all its operations and those of its suppliers. The Group has also defined its Human rights Policy, which can be downloaded from the corporate website under the section Governance/Ethics and Compliance;

- corruption and bribery: the Group adopted policies, measures, programmes and internal control systems to ensure ethics and compliance in the fight against corruption. Relevant policies in this area include: the Anti-bribery Policy, the Supplier code of conduct, the Code of ethics. More information can be found on paragraph "The Code of Ethics";

- taxation: the Group conducts its business activities in a manner that complies with tax regulations in all the countries its operations take place, and institutes internal control procedures to guarantee compliance with such regulations. More information can be found on the Cementir's approach to taxes, on Cementir's approach to taxes;

- fair competition: Cementir Holding N.V. conducts its business activities in a manner that complies with all applicable laws focusing on fair business competition and requires its employees to complete topic-specific training to prevent risks of occurrence.

Moreover, the Group is aware of the integration of D&I requirements within the minimum safeguards and, in accordance with Dutch law and the New Dutch Code of Corporate Governance, it set diversity targets for a good balance of D&I aspects in the Board and in the Senior Management. As a matter of fact, Cementir reports the board gender diversity and during 2024 calculated the gender pay gap for the Group, region selected based on the ease of data processing. This pilot will then be extended with the goal to collect and calculate the gender pay gap of the whole workforce. More information can be found on paragraph "Gender Pay Gap". Lastly, the Group is not involved in the manufacture or selling of controversial weapons.

Indicators and accounting policies

The proportion of Cementir Group's turnover, capital expenditure (Capex) and operating expenditure (Opex) associated with the execution of their eligible and aligned economic activities are hereby reported in accordance with Article 8 of the EU Taxonomy Regulation and its respective supporting Delegated Act. In compliance with the instructions provided by the EU Taxonomy Regulation to avoid double counting (Sect. 1.2.2.2. (c) of Annex I to the Art. 8 Delegated Act) the activities identified as aligned were attributed to a single environmental objective.

Proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in total turnover, CapEx and OpEx				
Year 2024	**Total EUR**	Proportion of **Taxonomy- eligible** economic activities (%)	Proportion of **Taxonomy-aligned** activitiy (%)	Proportion of **Taxonomy-aligned** activity (%) Substantial contribution to **climate change adaptation** (Obt 2)
			Substantial contribution to **climate change mitigation** (Obt 1)	
Turnover	1,686,943,385	37.21%	0.38%	16.15%
Operating expenditure (OpEx)	133,293,684	40.01%	0.30%	18.01%
Capital expenditure (CapEx)	179,167,821	49.21%	0.08%	17.62%

Turnover

The proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in terms of total turnover has been calculated as the part of net turnover derived from products and services associated with Taxonomy-eligible and Taxonomy-aligned economic activities (numerator) divided by the total consolidated net turnover (denominator).

For further details on our accounting policies regarding our consolidated net turnover, see chapter 'Accounting policies' of the 2024 Annual Report. The accounting items for this indicator have been derived from the 2023 consolidated Profit & Loss statement of Cementir Group.

For legal entities considered in scope of eligibility, only revenues pertaining to the identified eligible economic activities have been considered. As a consequence, all sales associated with activities different from those described in Table 1 have been excluded from the calculation of the numerator for the turnover KPI.

Capex

The proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in terms of capital expenditure is defined as Taxonomy aligned Capex (numerator) divided by total Capex (denominator).

Total Capex consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortization, and any re-assessments, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38), right-of-use assets (IFRS 16) and investment properties (IAS 40). Additions resulting from business combinations are also included. Goodwill is not included in Capex, as it is not defined as an intangible asset in accordance with IAS 38. For further details on our accounting policies regarding our Capex, see chapter 'Accounting policies' of the 2024 Annual Report.

Investments are extrapolated from Cementir's 2024 Statutory Book. The accounting items selected from the statutory book are tangible investments and intangible investments. The numerator consists of 'Capex related to assets or processes that are associated with Taxonomy-eligible economic activities' (Sect. 1.1.2.2. (a) of Annex I to Art. 8 Delegated Act), eventually of investments that are part of Cementir's 2030 Investment Plan to allow Taxonomy-eligible cement production activities to become Taxonomy-aligned (Sect. 1.1.2.2. (b) of Annex I to Art. 8 Delegated Act), and of individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions (Sect. 1.1.2.2. (c) of Annex I to Art. 8 Delegated Act).

Since Aalborg Portland A/S produces both grey and white cement, it was necessary to use a driver to select only the proportion of eligible Capex that was computed based on the proportion of tonnes of grey cement produced on total tonnes produced by the entity (77.37%).

Opex

The proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in terms of operating expenditure is defined as Taxonomy-eligible or Taxonomy-aligned Opex (numerator) divided by total Opex (denominator). This indicator is limited to non-capitalized costs related to research and development, repair and maintenance costs, personnel costs linked with maintenance, repair and cleaning costs, building renovation measures, and short-term leases.

Operating expenditures are selected from the 2024 managerial profit and loss statements of the Group. The numerator includes the portion of the above-mentioned accounting items linked with eligible economic activities.

As for the Capex KPI, since Aalborg Portland A/S produces both grey and white cement, it was necessary to use a cost driver to calculate the Opex KPI, as well. Again, this was based on the proportion of tons of grey cement produced in relation to the total tons produced by the entity (77.37%).

Taxonomy templates

Legenda for Templates reported in the next pages

For the purposes of tabular representation, the following legend applies:

(1) Climate Change Mitigation : CCM ;

(2) Climate Change Adaptation : CCA ;

(3) Water and Marine Resources: WTR;

(4) Circular Economy: CE;

(5) Pollution Prevention and Control: PPC;

(6) Biodiversity and ecosystems: BIO;

MS Minimum Safeguards.

For the reading of the alignment section of the templates, the following legend applies:

- Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective;
- N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective;
- N/A – Not applicable, technical screening criteria not listed by the Regulation.

For the reading of the eligibility section of the templates, the following legend applies:

N/EL - not eligible, Taxonomy non-eligible activity for the relevant environmental objective;

EL - Taxonomy eligible activity for the relevant objective;

N/A - Not applicable.

Table 3 - Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Financial year 2024				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	Code	Turnover	Proportion of Turnover, year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, year N-1	Category enabling activity	Category transitional activity
		mlnEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of Cement	CCM 3.7 / **CCA 3.7**	272.366.647	16,15%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	N/A	Y	Y	28,22%	-	-
Production of heat/cool using waste heat	**CCM 4.25** / CCA 4.25	6.356.260	0,38%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	N/A	Y	Y	Y	Y	0,29%	-	-
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		278.722.907	16,52%														28,51%		
Of which Enabling		-	0,00%	-	-	-	-	-	-	-	-	-	-	-	-	-	0,00%	-	-
Of which Transitional		-	0,00%	-						-	-	-	-	-	-	-	0,00%	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of Cement	CCM 3.7 / **CCA 3.7**	345.981.772,62	20,51%	EL	EL	N/EL	N/EL	N/EL	N/EL								9,49%	-	-
Collection and transport of non-hazardous waste in source separated fractions	CCM 5.5 / **CCA 5.5**	2.540.899,00	0,15%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,11%	-	-
Material recovery from non-hazardous waste	CCM 5.9 / **CCA 5.9**	317.572,00	0,02%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,01%	-	-
Water Supply	WTR 2.1	86.922,00	0,01%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0,00%		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		348.927.165,62	20,68%																
A. Turnover of Taxonomy eligible activities (A1+A2)		**627.650.072,85**	**37,21%**	0,38%	36,82%	0%	0%	0%	0%								38,12%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		**1.059.293.312,15**	**62,79%**																
TOTAL		**1.686.943.385,00**	**100,00%**																

Table 4 - Proportion of Capex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	Code	CapEx	Proportion of CapEx, year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1	Category enabling activity	Category transitional activity
		mlnEUR	%	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of Cement	CCM 3.7 / **CCA 3.7**	31.570.735	17,62%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	N/A	Y	Y	38,51%	-	-
Production of heat/cool using waste heat	**CCM 4.25** / CCA 4.25	140.461	0,08%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	N/A	Y	Y	Y	Y	0,15%	-	-
			0,00%														0,00%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		31.711.196	17,70%														38,66%		
Of which Enabling		-	0,00%	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Of which Transitional		-	0,00%	-						-	-	-	-	-	-	-		-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
Water Supply	WTR 2.1	48.875	0,03%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0,24%		
Manufacture of Cement	CCM 3.7 / **CCA 3.7**	54.426.765	30,38%	EL	EL	N/EL	N/EL	N/EL	N/EL								6,75%		
Collection and transport of non-hazardous waste in source separated fractions	CCM 5.5 / **CCA 5.5**	-	0,00%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,67%		
Material recovery from non-hazardous waste	CCM 5.9 / **CCA 5.9**	1.976.641	1,10%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,00%		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		56.452.281	31,51%																
A. CapEx of Taxonomy eligible activities (A1+A2)		**88.163.477**	**49,21%**	0,08%	48,00%	0,03%	0,00%	0,00%	0,00%								46,32%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities		**91.004.344**	**50,79%**																
TOTAL		**179.167.821**	**100,00%**																

Table 5 - Proportion of Opex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Financial year 2024				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	Code	OpEx	Proportion of OpEx, year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1	Category enabling activity	Category transitional activity
		mlnEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-																			
Manufacture of Cement	CCM 3.7 / **CCA 3.7**	24.003.285,63	18,01%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	N/A	Y	Y	26,58%	-	-
Production of heat/cool using waste heat	**CCM 4.25** / CCA 4.25	404.079,51	0,30%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	N/A	Y	Y	Y	Y	0,38%	-	-
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		24.407.365,14	18,31%														26,96%		
Of which Enabling		-	0,00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Transitional		-	0,00%	-						-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Water Supply	WTR 2.1	104.054,00	0,08%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0,05%	-	-
Manufacture of Cement	CCM 3.7 / **CCA 3.7**	28.672.013,32	21,51%	EL	EL	N/EL	N/EL	N/EL	N/EL								6,74%	-	-
Collection and transport of non-hazardous waste in source separated fractions	CCM 5.5 / **CCA 5.5**	-	0,00%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,07%	-	-
Material recovery from non-hazardous waste	CCM 5.9 / **CCA 5.9**	151.868,48	0,11%	EL	EL	N/EL	N/EL	N/EL	N/EL								33,83%	-	-
sustainable activities (not Taxonomy-aligned activities) (A.2)		28.927.935,80	21,70%																
A. OpEx of Taxonomy eligible activities (A1+A2)		**53.335.300,94**	**40,01%**	0,30%	39,52%	0,08%	0%	0%	0%								67,65%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities		**79.958.383**	**59,99%**																
TOTAL		**133.293.684**	**100,00%**																

Table 3.1 - Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

	Proportion of Turnover / Total Turnover	
	Taxonomy-Aligned per objective	**Taxonomy-Eligible per objective**
CCM	*0,38%*	*0,38%*
CCA	*16,15%*	*36,8%*
WTR	*0,0%*	*0,0%*
CE	*0,0%*	*0,0%*
PPC	*0,0%*	*0,0%*
BIO	*0,0%*	*0,0%*

Table 4.1 - Proportion of Capex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

	Proportion of CapEx/Total CapEx	
	Taxonomy-Aligned per objective	**Taxonomy-Eligible per objective**
CCM	*0,08%*	*0,08%*
CCA	*17,62%*	*48,00%*
WTR	*0,00%*	*0,03%*
CE	*0,00%*	*0,00%*
PPC	*0,00%*	*0,00%*
BIO	*0,00%*	*0,00%*

Table 5 - Proportion of Opex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

	Proportion of OpEx/Total OpEx	
	Taxonomy-Aligned per objective	**Taxonomy-Eligible per objective**
CCM	*0,30%*	*0,30%*
CCA	*18,01%*	*39,52%*
WTR	*0,00%*	*0,08%*
CE	*0,00%*	*0,00%*
PPC	*0,00%*	*0,00%*
BIO	*0,00%*	*0,00%*

Table 6 - Nuclear and fossil gas related activities

Row	Nuclear energy related activities	YES/NO
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

SOCIAL INFORMATION

S1 OWN WORKFORCE

We value our people

"*We attract and value talent and ensure a safe and stimulating work environment for our people, who are our most important resource."*

Strategy

SBM-2 - Interests and views of stakeholders

Cementir safeguards the development of human capital, respect human and workers' rights, promotes an inclusive and equal working culture an empowering people to be active members within the organization.

Active participation at different levels of the organization and respecting every employee's right of participation are parts of Cementir working culture.

The Company wants to empower people to actively participate and collaborate, to take both ownership of their work and responsibility for everyone's safety.

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The process to identify and assess material own workforce-related impacts, risks and opportunities, are described in the "General Information" chapter, sections "Impact materiality assessment" and "Financial materiality: risk and opportunities assessment".

Direct employees belonging to the Company and working in the manufacturing process are the ones that can be subject to material impacts during the operations of Cementir. Nevertheless, based on the activities, employees provided by a third party, primarily engaged to carry out activities for Cementir in the extraction phase such as Mining and Quarrying, could be subject too.

ESRS Own workforce definition	Application to Cementir
Employees	Yes
Self- employed people	No
People provided by third party undertakings primarily engaged in employment activities	Yes
Non employees[22]	Yes

The table below indicates whether the material negative impacts are widespread or systemic within the contexts where Cementir operates or associated with individual incidents.

[22] ***Non-employees*** in an undertaking's ***own workforce*** include both individual contractors supplying labour to the undertaking ("self-employed people") and people provided by undertakings primarily engaged in "employment activities" (NACE Code N78).

Material topic	Material negative impacts	Widespread or systemic in contexts where Cementir operates	Related to individual in cidents
Working Conditions	Secure employment: Not giving access to secure employment through stable contract and not promoting the well-being of people could lead the employees to be stressed and not satisfied having consequently low performances on the organization and having a negative impact on business and results of Cementir.	x	
	Work-life balance: Cementir not ensuring a proper work-life balance for its employees, not maintain a healthy equilibrium between private and working life can have a negative impact on employees and consequently on the performance of the Company.	x	
	Health & Safety: The inhalation of silica dust by workers can lead to the development of chronic health conditions, resulting in negative external impacts on their health	x	
	Health & Safety: The use of heavy equipment and quarrying operations by the undertaking can lead to high fatality rates, significant health and safety risks for their employees and contractors		x
Other work-related rights	Child Labor/Forced Labor: Severe human rights issues (e.g. forced labor, human trafficking or child labor) affecting the undertaking's own workforce can lead to a negative impact for Cementir	x	

Below, with respect to the material positive impacts defined, it is provided a brief description of the activities generating these positive effects, along with the types of employees and non-employees within its workforce who are or could be positively impacted, is provided.

Material topic	Material positive impacts	Description of the activities that result in the positive impacts	Types of employees and non-employees that are positively affected or could be positively affected
Equal treatment and opportunities for all	Measures against violence and harassment in the workplace: The Company through Policies, training and Whistleblowing channel,	The Company is contrary to any form of direct or indirect discrimination against and/or harassment of individuals or groups by any other individual or group and are likewise committed to the prevention and elimination of such behaviors. Moreover, thanks to the	All

	guarantee the measure against violence and harassment in the workplace.	Whistleblowing channel, all workers can denounce violence and or sexual harassment to Internal Audit Department which is in charged to proceed with the investigations and related analysis. The results of the analysis and any potential actions are assessed by the Ethics Committee. The relevant people and functions will be notified of any violations.	
	Diversity: The Company promotes diversity, equity, and inclusion initiatives which lead to positive significant influence of workforce diversity and consequently provides equal treatment and opportunity for all	Through the Group employees' diversity, equity & inclusion policy, Cementir developed an inclusive culture of freedom from any instance of discrimination and enthusing that the values of the honesty, integrity, respect and trust are always present. Indeed, material positive impacts, including workers' access to equal opportunities, in terms of freedom from discrimination (on the basis of gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation), equality in pay, access to secure employment, equal treatment (working conditions, access to social protection and training, inclusion of persons with disabilities)	All
Other work-related rights	Water and sanitation: Water access in some geographical areas where the Company operates can be difficult due to scarcity or water stress. For this reason, the Company is part of the WASH Pledge program with the aim to take action on the value chain providing access to safe water, sanitation, and hygiene at the workplace. By signing this pledge, Cementir contribute to the implementation of SDG 6 and provide international best practices on WASH.	The Company has operations in some geographical areas where water access can be difficult due to scarcity or water stress. For this reason, in 2022 the Company signed the WASH Pledge (Pledge for access to Safe Water, Sanitation and Hygiene at the workplace) which has been developed by World Business Council for Sustainable Development (WBCSD). By doing this, Cementir guarantees the provision and access to water at an appropriate standard for all employees in all premises under its direct control.	All

The material risks for Cementir stemming from the impacts and dependencies related to its own workforce are defined as it follows:

- Risks related to accident prevention and health & safety regulations' violations can lead to medical and legal expenses as per fines and sanctions.
- The increase of awareness of people regarding regulations of equal opportunities and treatment:
  - for Diversity can lead the company to a risk of reduction of the number of people interested in working in the company and may occurs in fines not respecting the regulations;
  - regarding gender equality and equal pay for work of equal value can lead the company to a risk of reduction of the number of people interested in working in the company and may occurs in fines not respecting the regulations.

Both of those can lead to a reduction of production or increase of costs with related impact on the EBITDA.

No opportunities have been identified.

Operations at significant risks of incidents of forced labor could be noticed in activities as mining, quarrying in the following geographical areas: China, Malaysia, Türkiye and Egypt.

Thanks to the Group human rights policy and the Whistleblowing Management Procedure, the Company monitors these types of risks and thanks to the Audit on Human Right, which are regularly carried out by Internal Audit Department.

With specific reference to risks related to incidents of child labor it has to be noted that there are not considered as relevant risk in particular for manufacturing and own operations due to constant control carried out by Internal Audit Department and through the correct application of policies and procedures. Geographical areas potentially impacted are: China, Malaysia, Türkiye and Egypt.

Regarding activities performed in the production plant, dedicated procedure is foreseen, related training is periodically carried out in order to guarantee the health and the safety of all employees and thus with the aim to prevent risk related to the health and safety of the worker of the Company and on the value chain.

Impacts, risks and opportunities management

S1-1 Policies related to own workforce

Diversity, Equity & Inclusion

The Group employees' diversity, equity & inclusion policy establishes some guidelines in the Cementir Group that promote a culture of respect for diversity, work equality, non-discrimination and the inclusion of labor groups in Cementir Holding

The production sector, where the Group is active, is historically characterized by a predominantly male workforce. Analysis of 2024 data on personnel distribution shows that 87% of employees are male. This is widely linked to a high prevalence of men amongst blue collar employees (the main category of staff). The Group continues to promote equal gender treatment and opportunities throughout the entire organization, starting by defining Group values and a leadership competency model in which the concepts of inclusion and diversity appreciation are well represented. With this purpose *the Group employees' diversity, equity & inclusion policy*, published in November 2022, and still applicable in 2024 establishes some guidelines in the Cementir Group that promote a culture of respect for diversity, work equality, non-discrimination and the inclusion of labor groups in Cementir Holding. Through this, it strives to ensure equality of opportunities for group employees. The Group employees' diversity, equity & inclusion policy is part of the DEI roadmap, which also includes the definition of a specific action plan including the entire population of the Group.

The commitment of Cementir towards Diversity, Equity and Inclusion matters, is demonstrated by setting and proposing new ambitious targets and related key achievements, such as:

Objective	Target	2024 Achievement
Diversity Equity & Inclusion in Cementir Holding Board of Directors	The number of directors of the less represented gender shall not decrease below 4 in case of a Board formed of up to 9 directors (44.8%) At least 3 directors of which at least 1 independent director younger than the CEO At least one director has specific expertise in ESG with particular focus on social issues	50% from April 2023 5 directors of which 1 independent director & 1 director
Diversity in Global Graduate program	Having at least 25% for the less represented gender involved in the program	38% in 2024 edition
Diversity in Emerging Talent program	Having at least 25% for the less represented gender involved in the program	29% (result already achieved in 2022) and no similar program in 2024.
Diversity in Senior management team[23]	Less represented gender is at 19% (May 2022) and we target to increase by 1%	20% at 31 Dec 2024

Furthermore, the organisation has always been committed to appreciating and valuing diversity in all HR processes such as hiring, management, evaluation and development, by avoiding any discriminatory approach, starting from the management of recruiting processes and in leadership and talent development programmes.

[23] *The senior management team is: • Group COO • Group Chief of each Professional Family • Head of Region/BU Managing Director of the local subsidiaries • Their first direct reports In this category are not included the Group CEO (Cementir Holding Board of Director member), the assistant roles and the positions related to non-core business activities (e.g. Waste, precast, ...). The calculation is according to the Dutch DE&I reporting system (SER).*

Definitions

Revenue-generating functions: Refers to line management roles in departments such as sales, or that contribute directly to the output of products or services. It excludes support functions such as HR, IT, Legal. May also be referred to as roles that have P&L responsibility.

STEM: Science, technology, engineering and mathematics. STEM workers use their knowledge of science, technology, engineering or mathematics in their daily responsibilities. To be classified as a STEM employee, the employee should have a STEM-related qualification and make use of these skills in their operational position. Positions include, but are not limited to: computer programmer, web developer, statistician, logistician, engineer, physicist, and scientist.

Commitment To Diversity Equity And Inclusion (Dei)

The Group Diversity, Equity and Inclusion Policy was released with the aim of strengthening the Company's commitment which is considered one of its core values.

The purpose of this policy is to establish guidelines that promotes a culture of respect regarding diversity, labour equality, non-discrimination and inclusion. The main objectives of this policy are:

- Attract, hire and retain diversified talent for all positions within the Company;
- Facilitate an inclusive working environment that ensures that all people within the Company feel accepted and integrated;
- Promote equal opportunities in all areas of the Company;
- Fostering collaboration respecting communication among members of all the teams within the Group;
- Promoting the achievement of UN's Agenda 2030 in particular the goals n°5 (Gender Equality) and n°10 (Reduce Inequalities).

The Group employees' diversity, equity & inclusion policy is communicated to all employees, without distinction of level, in the most appropriate manner and in accordance with local rules and practices.

In 2023 the Company launched specific training related to Diversity, Equity and Inclusion with the aim to inform all employees and having the purpose to strength

the creation of a safe and equitable workplace for all having a particular focusing on coalition and empathy, as key concepts for an inclusive behaviour. In 2024 the training continued and all new hired has to complete a training related to the Group employees' diversity, equity & inclusion policy.

Further details can be found under the paragraphs '*Cementir Academy*' and '*Diversity, Equity and Inclusion*'.

In its commitment, the Group Diversity, Equity and Inclusion Policy clearly states that the Company undertakes to respect the basic rights of all employees, without discrimination based on race, disability, ethnicity, colour, pregnancy, gender, language, nationality or any other reason such as religion, age, sexual orientation and identity, political opinion, social status and disability.

As laid down in the Group Human Rights Policy, the Company's activities are based on respect for global human rights, which are a non-negotiable fundamental value of its culture and corporate strategy which are in line with the sustainability model foreseen by the international standard SA8000. Cementir Holding promotes respect for human rights and adherence to applicable international standards with its Partners and Stakeholders and bases its governance model on the recommendations contained in the United Nations Guiding Principles on Business and Human Rights, implementing the "Protect, Respect and Remedy" Framework. The latest developments, activities carried out and the performance achieved by the Company are regularly shared with the Stakeholders.

Prohibition of discrimination at the workplace: Cementir is committed to guarantee that each employee is treated with fairness, respect and dignity. In accordance with Cementir's Code of Ethics, Code of Conduct and the Group employees' diversity, equity & inclusion policy.

The Company will support its employees in denouncing a violation of the law in terms of discrimination and consequently not respecting the Group Policy in force.

Any alleged human rights violations may be reported through the whistleblowing system as per other types of infringement (please refer to https://www.cementirholding.com/en/governance/ethics-and-compliance).

It has to be highlighted that no discriminatory practice based on race, ethnicity, colour, creed, religion, gender, age, national origin, marital status, sexual orientation, gender identity or expression, disability, veteran status or any other characteristic protected by applicable federal, state or local laws will be tolerated by the Company.

Cementir is committed to provide to all its employees equal opportunities for advancement and development without any sort of discrimination.

The material sub-topics covered in this ESRS include working conditions, equal treatment and opportunities for all, other work-related rights, which are identified for their potentially significant impact on the Group's employees.

With respect to working conditions, every operating unit integrates economic, social and environmental responsibility in its own activity, while cooperating constantly with the other units. The main management systems adopted by the Group include ISO 9001 and ISO 45001 certifications (all Cement production sites are certified). This system is designed to prevent work-related incidents and illnesses, ensuring a safe working environment for all employees. The company has completed its Management Systems Certification Programme, reflecting its dedication to maintaining high health and safety standards. Moreover, the Company is inspired by the requirements of Standard SA8000® as a reference tool for managing Social Responsibility at its Affiliates and along the supply chain.

In addition, Cementir has implemented a global Health and Safety Network, coordinated by the Corporate Health, Safety & Environment function. This network facilitates the sharing of expertise, best practices, and initiatives across all organizational levels, promoting a culture of safety throughout the company.

Moreover, with reference to individual incidents, Cementir constantly monitors and works to avoid any type of issues aiming to mitigate this material negative impact, through the HSE Policy and training on awareness related to injuries and accident

Equal treatment is ensured thanks to the company openness to every opportunity for professional and personal growth. Valuing the cultural richness of its organizational context. Cementir's corporate culture is deeply rooted in the value of inclusion, enabling it to be a global, authentically international, and multicultural organization.

Diversity and inclusion are considered distinctive characteristics that the company promotes throughout the entire corporate life cycle, from recruitment to professional and managerial development, including all hiring, management, evaluation, and development processes.

Understanding and respecting the cultural and religious identities of employees are essential to ensuring a collaborative and harmonious working environment as an equal opportunity employer.

In addition, respect for human rights is a fundamental principle at Cementir, as outlined in its Human Rights Policy. This policy guides management and employees in ensuring compliance with international standards, including the United Nations Declaration of Human Rights, ILO Conventions, and OECD Guidelines. The company recognizes the importance of fostering and maintaining a responsible and safe work environment for all employees.

Cementir's commitment to human rights is further demonstrated by its membership in the UN Global Compact since 2022. This membership reflects the company's dedication to responsible business practices and aligns its operations with global sustainability standards.

Furthermore, Cementir has established a whistleblowing mechanism, allowing employees, collaborators, administrators, and third parties to report potential violations or non-compliant behaviours related to applicable regulations, including those concerning human rights. This system ensures that individuals can exercise their freedom of expression without fear of retaliation.

Through these policies and initiatives, Cementir demonstrates a robust commitment to maintaining high standards of health and safety and upholding human rights across its global operations.

Cementir works constantly to protect its own workforce to prevent and mitigate negative impacts. Material negative impacts related to child, forced and compulsory labour are mitigated and monitored thanks to the Group Human Rights Policy and the audit activities carried out by the Internal Audit Department.

To reinforce its commitment, the Company makes public its awareness asserting that there are cultural differences and similarities between people, without assigning them a value, positive or negative, better or worse. Cultural sensitivity implies that both groups understand and respect each other's characteristics.

Cementir Group Human Rights Policy refers to respect the basic rights of all employees, explicitly stating that discrimination such as race, ethnicity, colour, creed, religion, gender, age, national origin, marital status, sexual orientation, gender identity or expression, disability, veteran status, pregnancy, language, nationality, political opinion or other characteristics protected by applicable federal, state or local law, will not be tolerated.

In addition to the above, it has to be highlighted that in the Group Policy related to Diversity Equity and Inclusion, the Company encourage to denounce any form of discrimination through the use of the whistleblowing channel considered as a powerful tool to avoid any judicious action. The Internal Audit Department will be responsible to investigate, analyse and report the case, if the complaint will be confirmed, action to improve process will be set and monitored by Internal Audit Department with the aim to mitigate the negative impacts generated by sustainability issue.

Please, refer to ESRS 2 General Information chapter, to focus on the Board Diversity Policy.

Audits Performed In 2024

Beside the Human Rights self-assessment, as already implemented in 2022, the Diversity, Equity and Inclusion Self-Assessment was launched as part of the standard internal audit process to internally identify and mitigate any risks related to Diversity, Equity and Inclusion.

Starting from 2022, the Internal Audit Department has monitored the application of Cementir's core equity and fairness principles to:

- hiring processes;
- compensation levels;
- annual salary reviews and promotions,
- work-life balance arrangements;
- events to foster interest in technical careers among women.

In 2024, the activity continued and has been carried out in all the Group's companies, covering the 100%[24] of Cementir's workforce at worldwide level. The countries that have been involved were the following: Belgium, Denmark, Norway, Türkiye, United States, China, Malaysia, Egypt, Italy, France, Iceland, Australia and Poland. The analyses carried out highlighted that internal operations are in line with internationally recognised Diversity, Equity and Inclusion principles, and no risks were identified during the audit activities.

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[24] *Exception made for the company AB Sydsten, a joint venture for which Cementir is not in charge of the operating activities.*

Human Rights

Commitment

Cementir pursues and supports compliance with internationally proclaimed human rights. The Company's sustainable development strategies pursue various objectives, including continuous improvement in the environmental and occupational health and safety conditions affected by its own activities. The Company's firm belief is that, through the application of the policy, Cementir can offer a humble contribution to global commitment for ensuring present and future generations' conditions and tools for a better quality of life.

As laid down in the **Group Human Rights Policy**, the Company's activities are based on respect for global human rights, which are a non-negotiable fundamental value of its culture and corporate strategy. Moreover, Cementir's adherence to the UNGC and support for the SDGs are indeed the result of the Company's loyal commitments to both the promotion and protection of respect for universal human rights and to openness to cooperation. The policies and principles adopted by the Company are not just in line with the Ten Principles of the UNGC but also instrumental for achieving the SDGs set under the Agenda 2030. In particular, the "Code of Ethics" and the "Group Human Rights Policy", combined with the Company's enthusiasm for cooperation, are significant importance to Cementir in offering its humble contribution to achieve the SDGs for "Decent Work and Economic Growth", "Reduced Inequalities" and "Partnerships for the Goals" by 2030.

The Cementir Group Human Rights Policy aims at supporting and guiding management and employees in achieving the above-mentioned goals. It applies the founding principles of:

- The United Nations International Charter (UN):
- The Universal Declaration of Human Rights
- The International Convention on Civil and Political Rights
- The International Convention on Economic, Social and Cultural Rights
- The fundamental conventions of the International Labour Organization (ILO) - n. 29, 87, 98, 100, 105, 111, 138, 182 - and the Declaration on Fundamental Principles and Rights at Work
- The UN Convention on the Rights of the Child
- The ILO Conventions n.107 and n.169 on the Rights of Indigenous and Tribal Peoples
- The European Convention on Human Rights.

Cementir promotes human rights within its business relationships and adherence to the same human rights standards by its contractors, suppliers and business partners.

Since 2020, an online training course has been set and launched focusing on the principles described in the Cementir Group Human Rights Policy and further other details can be find the local procedures.

Audits Performed In 2024

In 2019, as part of Cementir's internal initiatives and with the aim to identify and mitigate any risks related to human rights, Internal Audit decided to include in the standard internal audit process a checklist related to human rights.

Starting from 2020, the Internal Audit Department continued during the following years to verify the effective compliance of each company in the following areas: Child Labour, Forced Labour, Non-Discrimination, Conditions of Employment, Security and Supply Chain Management, Community Relationship, Customer Management and Diversity, Equity and Inclusion. The results of all the e assessments carried out have been included in the annual sustainability reporting process of Cementir Group to reinforce the commitment to operate responsibly respecting human rights.

In 2024, the activity has been carried out in the following countries where the Company operates with its operations:

Belgium, Denmark, Norway, Türkiye, United States, China, Malaysia, Egypt, Italy Poland, France, Australia, Iceland.

The total coverage of the assessment carried out in 2024 was equal to 100% of Cementir's workforce.

The analyses conducted highlighted that internal operations are in line with internationally recognised human rights and no risks were identified during the audit activities.

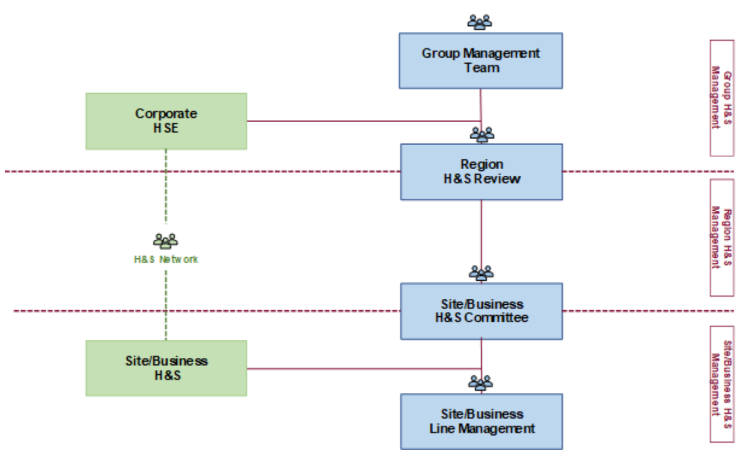
It has to be noted that any alleged human rights violations as per all other types of potential violations can be reported through the whistleblowing system.

Recognising the importance of the entire value chain, Cementir is committed to ensure that everyone integrates and respect the highest standards according to the Company's policies. For further details refer to the "Supplier Code of Conduct" paragraph within the Environment section of this report.

Governance

The **Group Management Team (GMT)**[25] – formed by Corporate and regional representatives - ensures adequate monthly monitoring of performance and progress of action plans put in place by each operating company to ensure constant and homogeneous improvement. The Corporate Health, Safety & Environment Function supports the Group Management Team in performance analysis and evaluations and proposes changes to Group policies.

The **Corporate Health, Safety & Environment Function** is in charge of the definition of guidelines, rules and standards at Group level and of supervising the ongoing implementation, management, and communication of the same. It coordinates local H&S managers functionally and provides advice to Regional senior management on the implementation of policies and procedures including the identification of improvement opportunities in operating activities. The **Group Guidelines, Rules, and Standards** on Health and Safety Management – which are periodically updated - indicate the expected requirements, according to recognized best practices in the industry. The guidelines are focused on the ISO 45001 systemic approach.



BOX: **The Group's golden rules of safety**

Our life-saving rules impact awareness and behavioural improvements:

1 - All work must be risk assessed before starting. According to the results of the assessment all identified measures must be implemented and verified.

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[25] The GMT, composed of the Group COO, CFO, Sales Officer, Procurement Officer, Technical Coordinator Officer, Information Technology Officer and Head of Regions, supports the Group CEO's decisions on relevant topics, defines operating guidelines and plays a vital role in ensuring that sustainability efforts are integrated with economic and business objectives.

2 - All energy sources must be de-energized, isolated and locked-out before a work is started.

3 - All safety protective devices and equipment must not be removed or bypassed during the work. All necessary Personal Protective Equipment received for a given task must be used properly.

4 - All unsafe behaviours and conditions must be avoided. Observe safe behaviours and conditions and be proactive.

5 - All incidents must be communicated to conduct necessary investigation and reporting activities. Lesson learned is a key for improvement.

The global interconnected **Health and Safety Network**, coordinated by the Corporate Health, Safety & Environment Function as technical area, supports all organizations to share competences, good practices and initiatives. The Network consists of all managers/coordinators on Health & Safety at site/business level which support the line management technically in the implementation of management system at local level (e.g. risk factors identification and assessment, safety operating procedures, operational standards and controls, incident investigations, inspections, etc.). The Network deliverables are constantly distributed to all workers through local Health & Safety (e.g. safety alerts and lesson learned from undesired events, common rules and standards, valuable safety behaviours, etc.). During 2024 the Network met 11 times as in 2023.

Every site/business in each Region has appointed its own **H&S Committee** chaired by the relevant senior manager (e.g. plant manager) with the participation of line managers, H&S manager and workers representatives. Additional monitoring and control governance tools are provided at the operating department level.

A set of common **leading indicators** are set across the Group. The monitoring of action plans and the measurement of their effectiveness, through these indicators, is making it possible to better understand the link to results in terms of “Zero accident strategy” implementation.

In 2024, the **Health and Safety Balanced Scorecard** tool - developed by the Corporate Health, Safety & Environment Function - was evaluated for three cement plants. As planned, we also extended the evaluation to four ready-mix concrete companies. This tool is meant to verify the management levels achieved considering the objectives set and the Group minimum requirements measured by lagging and leading indicators.

Specific **Health and Safety targets** are considered in short-term remuneration for representatives and managers based on risk level of the different business.

BOX: **Safety process improvements**

At the end of 2024 we launched a strategic project with the aim to implement a unique Group platform cloud-based to manage key H&S processes, including mobile App, for all company/business/plant. Processes involved are Control of Work (e.g., work permit and isolation management), incident management, inspection and audit management, action management. The objectives of the project are:

- Standardize and harmonize the main field risk-related processes facilitating their full implementation starting with permit to work process.
- Improve efficiency and effectiveness in reporting, analysis and evaluation of all undesired events (accidents, near misses, unsafe behaviours, unsafe conditions, etc.) and facilitate the increase of worker’s awareness through a smart approach.
- Harmonize the inspection process reducing time for completion and to be more effective.
- Document, notify, track, and escalate corrective actions assigned using action plan: clear responsibilities, recorded route, timely completion.

Manage statistics to prevent and for continuous improvement. Integrated dashboards on lagging and leading KPIs.

In 2025 we will be committed to the full implementation of the platform

S1-2 Processes for engaging with own workers and workers' representatives about impacts

Group People Survey

The Cementir Group's HR Strategy, which serves as an enabler of our Group's Business Strategy, is focused on three main pillars: Group Integration and Identity, Organizational Effectiveness and Agility, and People Development and Engagement.

In line with the Group HR Strategy, and to better identify actual and potential material impact topics, every two years the Company releases the Group People Survey "Your Voice". The aim of this survey is to assess employee engagement and enablement within the organization and compare the results with previous findings and additional market benchmarks.

For this purpose, several key indicators were identified to measure different aspects of employee engagement, also considering international benchmarks.

To ensure the involvement of the entire Group population, a dedicated communication plan was implemented throughout the key phases of the survey:

- **Pre-survey:** to announce the survey and prepare employees;
- **During the survey:** to provide instructions, operational support, and encourage participation;
- **Post-survey:** to communicate the results, identify gaps, and define the subsequent action plan.

The feedback collection process took place between May and June, achieving an overall participation rate of 92% (+4% compared to 2022). Based on the results, a global and local action plan has been defined for implementation in 2025. The main engagement and enablement indicators have improved by 2% compared to the last Group survey conducted in 2022.

With reference to the feedback received through the survey, Cementir has defined specific action plans (at local and global level) with different priority levels which have been approved.

Several areas for improvement have been identified: Communication & Collaboration, People Growth, Respect & Recognition, Efficiency & Innovation.

Taking into account the main requests made by employees, Cementir has defined the key actions to be implemented with different levels of priority, ensuring specific actions tailored to local needs and regulations for the Welfare component.

The Group is committed to the deliver the abovementioned action plans along 2025 and to launch a new People Survey in 2026.

According to specific needs and regulations, the Company set specific actions related to local environments as per the actions related to "Respect and Recognition" that have been managed at local level.

ACTION PLAN: from Global to local

Talent Review and Succession Plans For Key Positions Within The Group

In 2024, the annual Group talent review was conducted to gain a comprehensive view of performance trends and assess potential readiness for advancement into higher or more complex roles.

This process enabled the Group to identify key individuals for retention through targeted development plans and to pinpoint critical positions that need to be filled from a pool of potential successors in the short, medium, and long term, ensuring business continuity. The Group's succession planning efforts for critical roles continued, strengthening the leadership pipeline. The list of critical positions was reviewed and expanded in alignment with the Business Plan and key strategic objectives.

Additionally, an in-depth analysis of internal successor mapping results highlighted improvements in key performance indicators (KPIs), reducing the potential risk of business discontinuity. These insights informed key talent development decisions, including Group development programs, management changes, and international mobility initiatives.

Remuneration Strategy

The compensation policy emphasizes the importance of attracting talent while recognizing the value of our employees, fostering a performance-driven culture aligned with our corporate values. It supports the company's business strategy, ensures internal equity, and motivates and develops our people by rewarding top performers.

Cementir adopts a competitive compensation system that balances strategic objectives with the recognition of employee contributions. By using both short and medium/long-term variable compensation components, the policy aligns employees' interests with the primary goal of value creation and the achievement of financial and sustainability targets.

A significant portion of remuneration is tied to the achievement of defined performance objectives through the short-term incentive system (STI) and the long-term incentive system (LTI).

The 2024 Remuneration Policy is consistent with the Group's governance model and the Code of Ethics, available on the company's website www.cementirholding.com. This approach aims to attract, motivate, and retain highly skilled personnel, while aligning management's interests with the long-term goal of creating value for shareholders.

Objectives are cascaded across different countries and organizational levels, reinforcing the Group's unified approach to the short-term incentive system. The managerial population's commitment to short-term objectives remains focused on economic and financial management, ensuring proper resource allocation and alignment with the Group's strategic direction.

Please, refer to the ESRS E1 section for further information with respect to the STI Program.

Non-Compensation Benefit

The Group provides several packages of non-compensation benefits aimed at boosting employee engagement, improving employee retention, attracting top talent in the market, and increasing job satisfaction. These benefits are designed to enhance employees' lives both inside and outside of work. They are a crucial part of Cementir's commitment to creating a supportive and rewarding work environment. Different packages are provided depending on the particularities of each country where the Group operates, taking into account different local customs, social needs, and legal requirements.

In the table below, the non-compensation benefits have been grouped by type, and the total number of employees eligible for these benefits in 2024 has been reported.

Type of benefits	Total eligible employees (Employees eligible/ Total n. of Employees)
INSURANCE (e.g. health insurance, life insurance, injury insurance)	100%
PENSION FUND (e.g. private pension fund)	94%
HOUSE ALLOWANCE (benefit that is given to employee, on a regular basis, in order to help him/her pay for the house)	5%
FUEL SUPPORT/ALLOWANCE (benefit that is given to employee, on a regular basis, in order to help him/her pay for the fuel/reimbursement of fuel expenses sustained by employee)	9%
MEAL & CANTEEN (benefit that is given to employee, on a regular basis, in order to help him/her pay for the meal/ canteen service given to the employee)	90%
COMPANY CAR (company car given to the employee)	11%
OTHER BENEFIT (broad range of benefits given to employee for specific reasons (e.g. welfare, prepaid vouchers for purchasing different from food, birthday, climate conditions)	60%

Industrial Relations

Operating in different countries around the World, the Group's companies are subject to different labour regulations and, consequently, the contracts of Group employees vary according to the country in which they were hired.

In the table below, the rate of employees covered by collective bargaining in the counties with more than 10% of the total group employees is reported:

	Collective Bargaining Coverage		Social Dialoge
Coverage Rate	**EEA Employees**	**Non EEA Employees**	**Workplace Representation (EEA only)**
0-19%			
20-39%			
40-59%		TURKEY	
60-79%	DENMARK		DENMARK
80-100%	BELGIUM		BELGIUM

This rate varies from country to country depending on the applicable local legislation and on the job classification categories. The employees not covered by collective labour agreement are protected by the application of minimum wage salaries and the respective national labour agreement, if present - as per the Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 that guarantee an adequate minimum wage in the European Union, promoting collective bargaining on wages. The external market benchmark is also another powerful tool that we use to ensure the alignment of the whole employee population.

The Cementir Group maintains an ongoing, structured dialogue with the representatives of its companies' European workers, in compliance with EU regulations and according to the framework adopted by the Group's European Company Committee (EWC). Throughout the year, management informed and consulted employees and trade unions on transnational issues concerning the status of its activities and other significant decisions that the Group has taken in relation to the business and its employees.

In June 2024, at the Gaurain plant (Belgium), management informed and engaged in discussions with employees and trade unions on transnational issues related to the status of operations and significant decisions made by the Group concerning the business and its employees.

During the meeting, key economic and financial results for the period were shared, along with the main ongoing strategic initiatives, such as the Carbon Capture project in Denmark and the Kiln 4 investment in Belgium, as well as key outcomes and subsequent challenges in the area of Health and Safety.

The Company manages the Enterprise Risk Management under the current macroeconomic outlook, the complexity of business, the financial markets instability and the continuous evolution of legislation on law and regulations between the countries where the Group operates, aiming to have an overview of risk position across the functions and countries. The risk mapping regarding all internal and external aspects related to the business (commercial, procurement & supply chain, macro-economic facets), regulatory features (insurance, tax, general regulations) and values (ethics, social-environmental) of the Company is performed at Group level and continuous monitoring activities are in place. The risks identified are subjected to the qualitative-quantitative assessments which led to the governance definition and management structures and the preparation of mitigation and/or related remediation plans and investment. The risk analysis activity leads to the definition of risk reduction/elimination actions pursued at each country/function and implemented/kept under control by process owner identified. The aim is to assess and monitor properly the risks which could affect Company's value and goals achievement within all the Group Companies and related stakeholders working or having a business with the Company, aiming to prevent and neutralize them in a systematic and structured way before the events take place by setting ahead a specific strategy for this end; or rather to take advantages of potential additional opportunities by aligning business strategy with events identified.

S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

Code of Ethics, Human Rights, Diversity, Equity and Inclusion Awareness Survey

In December 2024, the Internal Audit team has renewed its commitment to monitoring progress in Human Rights and DE&I by launching, for the second time, the Code of Ethics, Human Rights, Diversity, Equity and Inclusion Awareness Survey.

The survey was addressed to all the employees with an account (coverage: 79% of Cementir's employees) with the aim of verifying the awareness of all employees regarding the contents of the Code of Ethics, the Group employees' diversity, equity & inclusion policy, the Group employees' Human rights policy and the whistleblowing system. Employees were invited to answer both multiple choice and open questions on the company's approach and behaviour about the application, respect and dissemination of those important topics.

The response rate was over 20% and all the answers collected have been discussed with the Top Management and a resulting action plan has been set up to monitor the sensitive and lacking areas.

The findings of this survey, presented to each region, have been integrated into the Human Rights Audit Report to better align every Management Action Plan.

Thanks to Internal Audit Department and the audits carried out it is possible for Cementir Holding to provide and contribute in giving advices and solution in case of a material negative impacts. Together with Human Resources Department, they are responsible to monitor and verify the correct application of the remediation plan to mitigate the negative impact identified. Furthermore, it is possible to all stakeholders to denounce through the grievance mechanism and in particular thanks to the Whistleblowing Management Procedure to denounce and complaint in case a material negative impact has been generated. The aim of the Internal Audit is to analyze the facts denounced and set an action plan to mitigate the risk/impact directly supporting the own workers of the Company.

A whistleblowing channel is promoted inside and outside the Company, together with policies available on the intranet and on the Company public website for all types of stakeholders, not only for its own workers.

It refers to any report concerning conduct, including omissions, that does not comply with laws and regulations, in any case applicable to the Cementir Group, as well as with the system of rules and procedures in force at the Cementir Group (included the Code of Ethics) or possible frauds.

In particular, this Whistleblowing Management Procedure is applicable to situations in which an individual (both internal or external to Cementir Group) raises concern about a risk, malpractices, wrongdoing or possible frauds that affects members of Cementir Group.

More details are available in the **Whistleblowing Management Procedure**.

For further details refer to section "The Code of Ethics" of the Management Report.

During the induction phase for new hires, workers are required to review all policies, sign the contract agreement, and participate in mandatory training courses. Moreover, the Company utilizes internal communications and awareness campaigns as additional tools to inform its employees.

Specifically, with reference to Whistleblowing Management Procedure, Cementir ensures that all workers are made aware of the grievance mechanism. This process begins during the induction phase for new hires, where workers are required to review all policies, sign the contract agreement, and participate in mandatory training courses.

Additionally, a whistleblowing system has been in place since 2013 and has been continuously updated, as the Group recognizes its importance as an effective tool to prevent illicit activities and to uphold individuals' freedom of expression as a fundamental human right. As a result, employees, collaborators, administrators, and third parties can report—without fear of retaliation or intimidation—any information regarding potential violations, non-compliance, or unlawful activities.

The receipt, analysis, and investigation of reports are conducted by the Internal Audit Department in full compliance with the principles outlined in the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics issued by the Institute of Internal Auditors (IIA), as well as the Cementir Group's Code of Ethics. Cementir guarantees that the identity of the whistleblower will not be disclosed to anyone outside the Internal Audit Department or any other department involved in resolving the whistleblowing case without the explicit consent of the whistleblower.

At the end of 2024 the Company proceeded with a review of the Group Whistleblowing Management Procedure in order to align it and update it with the new applicable legislations and the new reviewed procedure will be in force starting from the beginning of the 2025

For further details about the number of complaints, please refer to the Governance section, “The Code of Ethics” paragraph.

S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Cementir’s efforts regarding health and safety focus on building a robust HSE system, fostering safety awareness, and reporting and analysing root causes to prevent incidents. These ongoing actions aim to prevent fatalities and health and safety incidents among employees.

Furthermore, through the Enterprise Risk Management and Internal Audit teams, which regularly conduct audits on social aspects such as human rights, working conditions, HSE, and diversity and inclusion, the Company has established an internal control system that supports management in defining strategies and mitigating risks related to its workforce.

For further details refer to sections “Commitment to fighting corruption”, “Commitment to diversity equity and inclusion (DEI)”, “Diversity, equity and inclusion audits performed in 2024” of the Financial Report, and to the paragraphs “Commitment” and “Audits performed in 2024” of Human Rights section of this Sustainability Statement.

With regard to the assessment of potential negative impacts, all policies, procedures and activities implemented by the company are aimed to prevent and mitigate the identified negative impact identified by the double materiality. Every employee needs to adhere to the Code of Ethics and Conduct, and online training are available for all personnel. The majority of employees working for the Company conducted the training and it is also included in the induction for new employees.

For further details, especially about the action planned to pursue material opportunities related to Cementir own workforce, refer to the “Risk and opportunities” section in the Management Report.

Enterprise Risk Management is enterprise-wide aiming to identify, analyse and monitor risks in different areas linked to everyday activities of the Company, therefore also environmental, social, economic/financial and business ethics risks that are directly or indirectly attributable to the Company. Assessments and monitoring activities are conducted on possible and potential political, financial, environmental and social risks, including those related to the respect of human rights and labour laws. Regarding this the Company monitors continuously the application of internal regulations in relation to financial, social (particular focus on human and workplace rights), environmental and business ethics on Company’s offices and sites, it occurs through the periodic control activities and audits performed by Internal Audit Department.

The Company manages the Enterprise Risk Management under the current macroeconomic outlook, the complexity of business, the financial markets instability and the continuous evolution of legislation on law and regulations between the countries where the Group operates, aiming to have an overview of risk position across the functions and countries. The risk mapping regarding all internal and external aspects related to the business (commercial, procurement & supply chain, macro-economic facets), regulatory features (insurance, tax, general regulations) and values (ethics, social-environmental) of the Company is performed at Group level and continuous monitoring activities are in place. The risks identified are subjected to the qualitative-quantitative assessments which led to the governance definition and management structures and the preparation of mitigation and/or related remediation plans and investment. The risk analysis activity leads to the definition of risk reduction/elimination actions pursued at each country/function and implemented/kept under control by process owner identified. The aim is to assess and monitor properly the risks which could affect Company's value and goals achievement within all the Group Companies and related stakeholders working or having a business with the Company, aiming to prevent and neutralize them in a systematic and structured way before the events take place by setting ahead a specific strategy for this end; or rather to take advantages of potential additional opportunities by aligning business strategy with event identified.

Please refers to audit carried out on Human Rights, Diversity Equity and Inclusion.

For the management of material impacts the Enterprise Risk Management is responsible to focus on actual or potential positive or negative outcomes considering also impacts across the entire value chain and not just within the Company's direct operations. It has to be noted that issues that are initially impact material can become financially material, thanks to the monitoring of material impacts it is possible to avoid future financial risks and to identify new uncover opportunities encouraging the Company to create and preserve value in the long term. The members of the Enterprise Risk Management are responsible to manage the material impacts related to their functions and activities with the aim to prevent or mitigate the material impacts leading to a more sustainable and resilient business strategies.

In 2024, the overall turnover rate decreased to 14%, down from 16% in 2023.

After instable years the turnover rate of the Company became lower and thus due to better market conditions and specific actions put in place by the Company with the support of the results of the People Survey.

Cementir is committed to continuing the analysis on a yearly basis in order to identify the main reasons for leaving and consequently possible actions and strategies to mitigate the turnover rate.

Metrics and targets

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The process of setting and monitoring health and safety targets takes into account factors such as past performance analysis, the company's risk profile, and alignment with Cementir's strategic initiatives. This ensures that the targets are both relevant and achievable.

In addition, the Top Management is responsible for cascading and ensuring that workplace practices are in place to give effect to the Diversity, Equity and Inclusion Policy.

In order to ensure its adoption as well as the presence of workplace practices to give effect to it, the Cementir Holding Board of Directors sets mid/long-term targets related to Diversity, Equity and Inclusion and reviews them on a yearly base.

In details, according to the internal timeline the BoD define the annual target related to Diversity, Equity and Inclusion, for the Board itself and the Senior Management. Targets can be extended to specific clusters or all employees, and additional targets can be defined in order to reinforce the commitment of the Group to Diversity, Equity and Inclusion matters.

Group HR define an internal action plan to support the achievement of the above-mentioned objectives with the support of the relevant departments at Group and local level.

Group HR is responsible for monitoring and reporting to the Board about the progresses in achieving objectives set by the Board. It is also responsible in case of additional targets defined.

The Group's Sustainability Statement is identified as the tool to monitor and report the information about progresses towards achieving diversity, equity & inclusion application in Cementir Group (e.g. men and women in the Board, in senior management positions, etc.), in addition to any reporting obligation under applicable laws.

Eventual discrimination cases reported against the policy will be examined by the Ethics Committee while the employees have the possibility to report them using the whistleblowing channels.

Although Cementir does not directly involve the workforce in setting these targets, sharing monthly performance updates helps keep everyone informed and aligned with the established goals.

A full overview of the 2025-2027 Industrial Plan strategic priorities, is available on the company website.

Please consider that the comparative metrics as reported in the ESRS2 – General Information, for the years reference 2023 and 2022 of this ESRS Standard are included in this Report on the Annex Section. Furthermore, it has to be considered the measurement of the metric related to characteristics of own employees is not validated by an external body other than the assurance provider.

S1-6 – Characteristics of the undertaking's employees

The Cementir Group workforce comprises 3,123 employees (considering headcount for Société des Carrières du Tournaisis SA (SCT) at 100%), spread across 14[26] countries and 5 continents.

The Group's workforce is mainly composed of personnel hired with permanent and full-time contracts.

With reference to the total number of employees by headcount please refer to the table disclosed in paragraph 50a.

Total		
M	F	Total
2712	411	**3123**

Employee head count in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees.

Countries	Total employees 2024
Belgium	480
Turkey	805
Denmark	794

[26] The following countries have been considered: Denmark, Norway, Sweden, Poland, Iceland, France, Belgium, USA, Turkey, Egypt, Malaysia, Australia, China, Italy.

Information on employees by contract type, broken down by gender and by Region (head count or FTE) (reporting on full-time and part-time employees is voluntary).

	Permanent							
	Executive		Manager		White Collar		BC	
	M	F	M	F	M	F	M	F
China	-	-	8	2	35	7	74	8
Malaysia	2	-	7	3	38	33	87	1
Australia	-	-	3	-	-	-	-	-
Belgium	2	-	34	8	79	30	210	1
France	-	-	1	-	21	4	1	-
Egypt	1	-	18	2	21	9	16	-
Turkey	2	-	48	7	163	39	539	4
Denmark	2	-	45	9	150	82	443	14
Norway	-	-	9	5	23	8	63	5
Poland	-	-	1		1	3	3	-
Sweden	2	-	3	3	21	9	65	7
Iceland	-	-	1	-	3	1	4	-
Italy	23	4	17	7	11	15	-	-
USA	2	-	41	5	17	18	114	1
TOTAL	**36**	**4**	**236**	**51**	**583**	**258**	**1,619**	**41**

	Fixed Term or Temporary						
	Executive	Manager		White Collar		BC	
	F	M	F	M	F	M	F
China	-	6	-	15	20	32	15
Malaysia	-	2	-	3	1	14	-
Australia	-	1	-	1	-	-	-
Belgium	-	4	-	30	13	69	-
France	-	-	-	5	-	1	-
Egypt	-	4	-	1	-	1	-
Turkey	-	-	-	-	1	2	-
Denmark	-	-	-	8	6	35	-
Norway	-	-	-	-	-	2	-
Poland	-	-	-	-	-	-	-
Sweden	-	-	-	-	-	-	-
Iceland	-	-	-	-	-	1	-
Italy	-	-	-	-	1	-	-
USA	-	-	-	-	-	-	-
TOTAL	**-**	**17**	**-**	**63**	**42**	**157**	**15**

	Permanent			Fixed Term or Temporary			Non Guaranteed Hours Employees			Grand Total
	M	F	Total	M	F	Total	M	F	Total	M+F
China	117	17	134	54	35	89	0	0	-	223
Malaysia	134	37	171	19	1	20	0	0	-	191
Australia	3	-	3	2	-	2	0	0	-	5
Belgium	325	39	364	103	13	116	0	0	-	480
France	23	4	27	6	-	6	0	0	-	33
Egypt	56	11	67	6	-	6	0	0	-	73
Turkey	752	50	802	2	1	3	0	0	-	805
Denmark	640	105	745	43	6	49	0	0	-	794
Norway	95	18	113	2	-	2	0	0	-	115
Poland	5	3	8	-	-	-	0	0	-	8
Sweden	91	19	110	-	-	-	0	0	-	110
Iceland	8	1	9	1	-	1	0	0	-	10
Italy	51	26	77	-	1	1	0	0	-	78
USA	174	24	198	-	-	-	0	0	-	198
TOTAL	**2,474**	**354**	**2,828**	**238**	**57**	**295**	**-**	**-**	**-**	**3,123**

436 employees left the Company during 2024 with the 16% rate of employee turnover.

New employee hires and employee turnover (determined as FTE at 31st December of each fiscal). The number of new hires and leaving employees during the course of the year are indicated respectively as “incoming” and “outgoing”. However, it has to be taken into consideration that the Company avails of temporary labour in order to meet the unexpected increases in production volumes as well as to compensate the absence of labour during annual leaves or in cases of sickness leaves.

Therefore, the temporary employees have to be detracted from the amounts of incoming and outgoing employees for understanding the actual flows of employees during the course of the year. The calculation of the Group personnel by geographical area, gender and contract type was carried out with respect to the data received from the various countries.

The table below summarizes the main workforce figures by category as of 31 December 2024.

	Executive			Manager			White Collar			Blue collar			Total		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total
Total	37	4	**41**	253	51	**304**	646	300	**946**	1776	56	**1832**	2712	411	**3123**

S1-7 – Characteristics of non-employees in the undertaking's own workforce

The Cementir Group workforce comprises 988 contractors. Cementir employs contractors primarily for the execution of operations inside the quarries and packing operations inside the cement plants. The Group's workforce is mainly composed of personnel hired with permanent and full-time contracts

The table below summarizes the main workforce figures by category as of 31 December 2024.

	Intern	Quarry	Packing Activities	Maintenance	Temporary from Agency*	Consultant	*Other	Total
Nordic&Baltic	1	-	-	-	28	-	-	29
Belgium	-	-	-	-	7	9	-	16
North America	-	-	-	-	4	-	-	4
Türkey	11	238	65	25	19	1	190	549
Asia Pacific	2	-	36	7	-	1	36	82
HQ	-	-	-	-	-	2	6	8
Egypt	-	-	-	-	28	-	272	300
TOTAL	14	238	101	32	86	13	504	988

S1-8 – Collective bargaining coverage and social dialogue

In 2024 around 61% of employees across the entire Group are covered by collective bargaining agreements in line with the previous year. This percentage varies from country to country depending on the applicable local legislation and on the job classification categories.

Industrial Relations also have an active role in the Company's commitment in terms of health and safety, characterized by active participation on the part of the union and workers. In December 2024, the number of employees covered by collective bargaining agreements in the EEA represented by country in which the Company has significant employment has been represented in table here below:

DENMARK

Percentage of Employees with Collective Bargaining Agreement	n°	2024
		EEA Employees
Number of employees represented by workers' representative	Number of person	558
Number of total Employees	Number of person	794
Coverage Index	**%**	**70%**

BELGIUM

Percentage of Employees with Collective Bargaining Agreement	n°	2024
		EEA Employees
Number of employees represented by workers' representative	Number of person	507
Number of total Employees	Number of person	507
Coverage Index	**%**	**100%**

Outside the EEA, the percentage of the employees covered by collective bargaining agreements by region is represented in table here below:

Number of Employees with Collective bargaining agreement	n°	2024		
		EEA Employees	**Non EEA Employees**	**Total**
Number of Employees with Collective bargaining agreement	Number of person	-	378	378
Number of total Employees	Number of person	-	805	805
Coverage Index	%	**0**	**47%**	**47%**

For detailed information about social dialogue (i.e. agreement with Cementir employees for representation by a European Works Council (EWC), number; and the percentage of Cementir total employees covered by collective bargaining agreements), refer to the « Industrial Relations" paragraph in "S1-2 Processes for engaging with own workers and workers' representatives about impacts" section.

S1-9 – Diversity metrics

The gender distribution with specific reference to Top Management is presented here below:

	Executive		Total
	MALE	FEMALE	
Total Value	37	4	**41**
Total %	90%	10%	**100%**

The top management definition is represented in the table below

Nordic&Baltic	CEO+CFO
Belgium	CEO+EXPAT+DIRECTORS (N-1 Excluded Assistant)
North America	CEO + MD
Türkey	CEO + LOCAL CHAIRMAN
Asia Pacific	CEO + MD + EXPAT
HQ	All employees under Directors' collective Bargaining Agreement
Egypt	CEO + DIRECTORS (N-1 Excluded Assistant)

The gender distribution of the members of the Board of Directors and the Committees of the Cementir Holding is shown in the table below. The following chart shows the distribution of the Board of Directors and the Committees as of December 31 of each of the last three financial years, in terms of diversity by age and gender, considering for the latter purpose the official gender in the absence of communication of different gender identity.

Diversity of the Board of Directors by age and gender

Composition of corporate bodies	**2024**			**2023**			**2022**		
	Men	*Women*	***Total***	*Men*	*Women*	***Total***	*Men*	*Women*	***Total***
Board of Directors									
Under 30	0	0	0	0	0	0	0	0	**0**
30-50	0	0	0	1	2	3	1	3	**4**
Over 50	4	4	8	3	2	5	5	1	**6**
TOTAL	**4**	**4**	**8**	**4**	**4**	**8**	**6**	**4**	**10**
Of which independent	0	3	3	0	3	3	1	3	**4**
Audit Committee									
Under 30	0	0	0	0	0	0	0	0	**0**
30-50	0	0	0	0	1	1	0	1	**1**
Over 50	**0**	**3**	**3**	**0**	**2**	**2**	**1**	**1**	**2**
TOTAL	**0**	**3**	**3**	**0**	**3**	**3**	**1**	**2**	**3**
Of which independent	0	3	3	0	3	3	1	2	**3**
Remuneration and Nomination Committee									
Under 30	*0*	*0*	*0*	*0*	*0*	*0*	**0**	**0**	**0**
30-50	*0*	*0*	*0*	*0*	*1*	*1*	**0**	**1**	**1**
Over 50	*0*	*3*	*3*	*0*	*2*	*2*	**1**	**1**	**2**
TOTAL	**0**	**3**	**3**	**0**	**3**	**3**	**1**	**2**	**3**
Of which independent	0	3	3	0	3	3	1	2	**3**
Sustainability Committee									
Under 30	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
30-50	*0*	*0*	*0*	*0*	*1*	*1*	*0*	*2*	*2*
Over 50	*1*	*3*	*3*	*1*	*2*	*3*	*1*	*1*	*2*
TOTAL	**1**	**3**	**4**	**1**	**3**	**4**	**1**	**3**	**4**
Of which independent	*0*	*3*	*3*	*0*	*3*	*3*	**0**	**3**	**3**

The age distribution of the employees of the Cementir Holding is shown below

	Total		
	Male	Female	Total
<30	327	56	**383**
30-50	1.339	232	**1.571**
>50	1.046	123	**1.169**
Totale	2.712	411	**3.123**

S1-10 – Adequate wages

An external provider has been selected to provide salary benchmarks data to assure that a proper compensation package is offered according to the breadth, complexity and strategic nature of the role held by each employee, anchoring value to the reference local market. The salary benchmarks are updated on an annual basis. In case of high inflation, a most frequent update is considered to take into account the inflation impact on the job market.

The salary increase is defined based on the following variables: remuneration fairness compared to local market, performance rate, inflation of the country and available budgets.

The non-Executives salary review process is managed by the local Human Resources Department, following the guidelines and timing established by Compensation & Benefits of each region where the company operates.

Cementir Holding develops and adopts retention plan considering general macroeconomic scenario and salary benchmarks of each country, related updates are periodic performed due to continuous changes of the latter to address the risk.

With regards to standard salary paid to new hired during the first year in the Company, it must be highlighted that the total amount provided to the employees is higher than the minimum prescribed by law and no difference between gender are made.

It provides a reward structure pursuing the correct balance of the monetary component of remuneration and the enhancement of the non-monetary component, always ensuring the remuneration competitiveness on the labour market.

The increase of base salary or variable incentive level is decided based on two elements: market positioning and performance rate, this last as result of Performance Management process

For further information on adequate wages, refer to the « Industrial Relations” paragraph in “S1-2 Processes for engaging with own workers and workers’ representatives about impacts” section.

S1-11 – Social protection

The Company makes sure that its employees are protected against loss of income resulting from significant life events, such as illness, workplace injury, parental leave, and retirement, in line with the terms and conditions outlined in contracts**.**

At Group Level all employees in all countries are protected against loss of income resulting from significant life events, such as illness, workplace injury, parental leave, and retirement, with the exception of the following life events in USA:

- Illness
- Unemployment

		N° of Employees NOT COVERED	USA
Ilness	Permanent employees	198	198
Unemployment	Permanent employees	198	198

S1-12 – Persons with disabilities

Due to legal restrictions under the EU General Data Protection Regulation (GDPR), which applies to all EU member states and EEA countries, as well as similar personal data protection principles established by national legislation in the countries where the company operates outside the EU and EEA, it is unable to report all the number of persons with disabilities within its organization.

For the countries not present in the table, the data cannot be disclosed/collected due to law reason

Country	Male	Female
China	1,17%	0,00%
Malaysia	0,00%	0,00%
Australia	0,00%	0,00%
Egypt	6,45%	0,00%
Turkey	1,86%	1,96%
Italy	0,00%	3,70%

S1-13 – Training and skills development metrics

In 2024, the Group re-launched the Annual Group Performance Management process that involves all executives, managers and white-collar employees that were hired within the first half of the year. Employees hired in the second part of the year, will be involved in the process starting from the following year. This approach enables Cementir to monitor and align employees' objectives, competencies and development plans with the Group's strategic objectives. The Performance Management Process will support the development of a new perspective on performance evaluation. It is not only a tool for aligning people with business strategy but also a process that can stimulate constant development of organizational skills and competencies among people.

In 2024 Annual Group Performance Management process each employee received two performance reviews; the same number of reviews have been received last year and consequently in line with the previous year. The Annual Group Performance Management Process covered the 67,6% of the total employees.

Employees who receive regular performance reviews:

Employees who receive regular performance reviews	2024		
	Men	Women	Total
Executives	35	4	**39**
Manager	247	49	**296**
White Collars	602	275	**877**
Blue collars	849	50	**899**

Employees who receive regular performance reviews	2024	
	Men	**Women**
Executives	95%	100%
Manager	98%	96%
White Collars	93%	92%
Blue collars	48%	89%

Cementir Academy

The Group has significantly continued its digital and in-person training activities, developing multiple content pieces aligned with key regulatory and business developments.

Specifically, the Group has implemented the following Talent Management initiatives, targeting different segments of the corporate population:

- **Confirmed the partnership with LinkedIn Learning**, increasing the frequency of courses offered by both Group and local HR departments while also allowing all white-collar employees to select from a variety of courses on business, technology, and soft skills. The courses are available in seven different languages and cover more than 16,000 topics.

- **Completed the second edition of the Graduate Program**, a global initiative aimed at integrating outstanding recent graduates into the technical area through an international experience, where they can learn and develop industry-specific and managerial skills in line with the Group's way of working.

- **Launched the design and planning phase for the second edition of the Training and Development Program for emerging young talents called "NextGen Development Program" and the first edition of the Middle Management Program**. The goal of both initiatives is to enhance internal talent, ensure their growth toward managerial positions in the medium and long term, and foster retention through the definition of a specific career path.

Furthermore, to ensure continuous development activities, specific local training programs have been confirmed, such as the **Graduate Program in Turkey** to attract new talent and the **Leadership Program in Denmark and Belgium** to retain and develop our managers.

In terms of training, in line with previous years, **the Cementir Academy has supported the Group's strategy and the professional development of employees** by designing and delivering new learning paths and initiatives in a hybrid format—both online and in-person. The goal is to provide comprehensive training and development opportunities for all employees. Notable examples include the expansion and enhancement of courses on **Privacy, Cyber Security, and Fraud Prevention**, as well as the launch of a dedicated course on **ESG (Environmental, Social, Governance) topics**.

Mandatory online training for newly hired employees

Code of Ethics • Cybersecurity • Cybersecurity - Deepfake • Cybersecurity - Ransomware • Cybersecurity - Spear Phishing • Diversity, Equity & Inclusion • Fraud Management & Whistleblowing System • GDPR (General Data Protection Regulation) • Human Rights • Leadership model • Performance Management • Privileged Information • Environmental, Social and Governance.

Cultural and Corporate

- **Target:** *White collars*
- Leadership Model
- Code of Ethics
- Fraud Management & Whistleblowing System
- GDPR
- Cybersecurity & minipills
- 231 Model
- Privileged information handling procedure
- Human Rights
- Diversity, Equity and Inclusion
- Performance Management (for managers/employees)
- Environment, Social and Governance

Management Edu & Leadership Development

- **Target:** Talents among *senior leaders, managers, professionals*
- Any specific initiative aiming to leadership or management skills development, managed at Global or Local level
- Emerging Talent Program (Global)
- Global Graduate Program

Technical and Functional

- **Target:** All employees can be involved according to specific enrollment criteria (if any)
- Cementir 4.0/Business Process Re-Engineering Program training sessions
- Success Factors tool training sessions
- Training for Professional Family

Onboarding

- **Target:** All employees has to be involved according to their specific role
- Deliver the new hired a welcome kit, including the necessary work documents
- Introducing the new hire his/her team and department
- Enroll new hire in corporate training and administrative procedures and rules

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Health, Safety and Environment (HSE)

- **Target:** All employees has to be involved according to their specific role
- Mandatory training on HSE topics for workers
- Mandatory training on HSE topics for workers with specific role

Massive Open Online Courses *(Linkedin Learning)*

To ensure the highest level of inclusion and accessibility, courses are mostly delivered in the local language or, if not already possible, in English. In some cases, these courses have also been extended to manual workers, with the possibility of multiple attendance.

In 2024, 73,494 hours of training were provided, around 24 hours per employee.

The measures put in place involved the entire Group workforce in a cross-functional and balanced way covering various roles, as can be seen from the summary table of training hours by professional category.

	Training Hours										
	Executive		Manager		White Collar		Blue Collar		Total		Grand Total
	M	F	M	F	M	F	M	F	M	F	M+F
TOTAL	496	58	8,496	1,840	15,665	7,825	37,330	1,785	61,987	11,507	**73,494**

	Training Hours per person										
	Executive		Manager		White Collar		Blue Collar		Total		Grand Total
	M	F	M	F	M	F	M	F	M	F	M+F
TOTAL	13	14	34	36	24	26	21	32	23	28	**23.5**

The hours of training provided fall into various categories, ranging from Code of Ethics training to Health & Safety training, to further specific training such as environmental or cybersecurity training.

Training category	Description
Health & Safety	Training on Health and Safety topics for workers.
Technical and Functional	Functional and technical training to upskill Group professional families and sub-communities (e.g. environmental training).
Management Edu & Leadership Development	Specific initiative aimed at leadership or management Leadership Development skills development, managed at Global or Local level. For example, the Emerging Talent programme.
Cultural and Corporate	Training on Code of Ethics, Whistleblowing System, GDPR (General Data Protection Regulation), Human Rights, Cybersecurity, Performance Management process.
Other	Other types of training, such as language courses.

Hours of training per category	Unit	2024		
		Male	Female	Total
Health & Safety	**Ore**	28.377	2.534	30.911
Technical and Functional	**Ore**	14.590	3.847	18.437
Management Edu & Leadership Development	**Ore**	14.635	2.910	17.545
Cultural and Corporate	**Ore**	2.129	885	3.014
Other	**Ore**	2.256	1.331	3.587
Total Hour of Training		6.987	11.507	**73.494**

S1-14 – Health and safety metrics

Six Pillars Of Action

Our roadmap to strengthen safety culture is based on six pillars of action where interdependent approaches by workers is a key expectation.

To be effective in the implementation of our "Zero accident strategy" the main attitude required, starting with our managers, is leadership to be felt through visible and exemplary behaviours, proactive commitment and indeed the involvement of workers viewed as a team.

LEADERSHIP IN PRACTICE

• Managers Safety Walk&Talk program focused on behaviours (trust-based culture)

• Managers participation in incident investigations

• Training program on "Concrete Leadership"

• Safety Leading Targets

COMMITMENT & RESPONSIBILITY

• Interdependent approach to safety starting from induction phase

• Proactive contribution of all workers

• Positive reinforcements (e.g., Valuable Safety Behaviours)

• Procedures effectiveness and discipline in practice

RISK MANAGEMENT

• Identify hazards in all conditions (routine and non-routine, complex, emergency)

• No work prior to proper risk assessment and authorization (Permit to Work Process)

• Training program on “Job Safety Assessment”

• Timely implementation of preventive and corrective actions identified

INVOLVEMENT & PARTICIPATION

• Regular Committees and operational meetings

• Periodic tool boxes at department/shift level on the main risk factors

• Participation in the preparation of safety operating procedures

• Participation in incident investigations and results dissemination (e.g., Safety Alert)

COMPETENCE & AWARENESS

• Safety training on both technical skills and personal attitudes

• Training matrix including all workers and jobs

• Periodic reporting campaigns on incident/unsafe situations

• Safety attitude as evaluation factor of the individual performance

CONTINUOUS IMPROVEMENT

• Learning from events through Root Cause Analysis

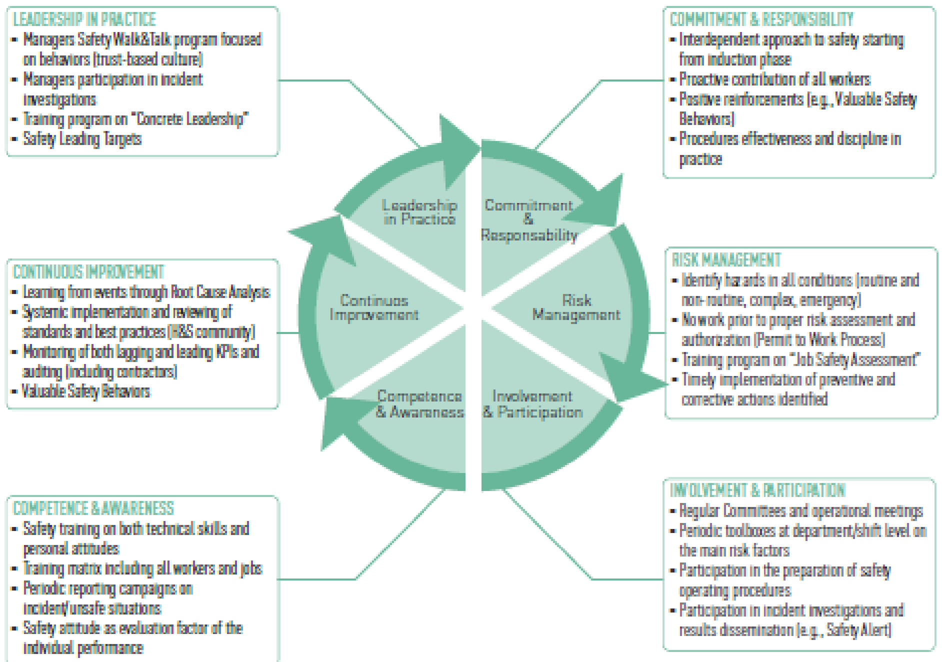
• Systemic implementation and reviewing of standards and best practices (H&S community)

• Monitoring of both lagging and leading KPIs and auditing (including contractors)

Subsequent Events

In February 2025, one fatal incident occurred at work at the Izmir plant; the related investigations by both internal functions and external authorities are ongoing. The matter has been disclosed in the Sustainability Statements but no need to amend the DMA has been noted since the H&S matter and related impacts and risks was already identified as a material topic.

• Valuable Safety Behaviours



Health And Safety

Over the past four years, we have initiated a significant cultural change so that health and safety is perceived and experienced in daily activities as a common value. The trend of accident indices is confirming the effectiveness of our action plans contextualized at individual industrial sites. We are aware that all accidents and work-related illnesses are preventable. Our "**Zero accident strategy**" is well founded on this principle.

The framework for the prevention of work-related incidents and illnesses is the effective implementation and maintenance of the Health and Safety Management System according to the ISO 45001 standard, the Group's guidelines and standards and the regulations in the countries where we operate.

The Management Systems Certification Program has been completed for cement. All cement production plants are ISO 45001 certified. We plan to certify all ready-mix concrete activities by 2027. The Group's monitoring guidelines are consistent with recognized international reference documents such as the Global Reporting Initiative standards and GCCA Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing.

Progress In 2024

According to our sustainability roadmap we started new industrial projects especially in cement (e.g., Kiln 4 upgrade in Belgium). Working hours increased by 3% compared to 2023 mainly for contractors.

No fatal or high consequences injuries occurred among employees. A contractor fatality occurred in cement plant after completion of a cleaning work; this event is under investigation by competent Authority to clarify if it was work-related or not.

The total number of lost time injuries has been reduced by 16% compared to 2023.

All incidents, starting from high potential events, have been analysed and investigated to determine the root causes and identify corrective/preventive actions that have been already implemented/planned.

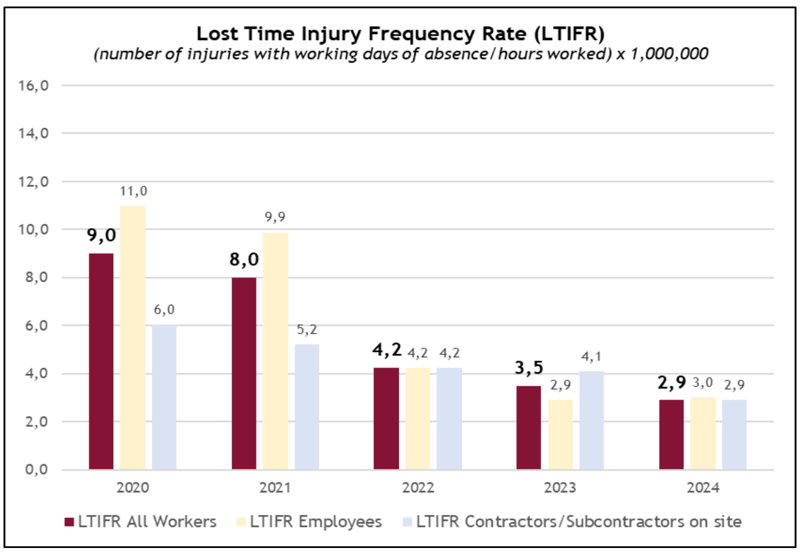
Also in 2024, the main causes of incidents were slips, trips and falls (about 30% of the total) mostly concerning behaviours. Specific initiatives were undertaken during the year to increase the level of worker awareness and supervision and control activities in the field.

BOX: **The week for Safety and Health at Work – April**

During the month of April, in conjunction with the celebration of World Occupational Health and Safety Day, we implemented additional awareness initiatives focused on leadership in safety and reporting of unsafe conditions and behaviours. Reporting such occurrences helps prevent accidents and injuries, identify root causes and corrective actions, and promote a safety culture based on awareness, responsibility and proactivity. The initiatives were widely attended by workers.

LOST TIME INJURY FREQUENCY RATE (LTIFR)

(number of injuries with working days of absence/hours worked) x 1,000,000



In 2024, all of our companies continued to implement Health Management Systems with the objective of promoting and maintaining the health and well-being of employees and ensuring adequate risk monitoring in the workplace. Almost all the employees are included in the health monitoring programs, considering the task risk evaluation for each of them.

In 2024, health checks were more than 2,350 (about 2,100 in 2023). They were conducted in compliance with the health protocols defined by the Occupational Physicians.

During the year, no occupational illness allegations were received.

58% of people in our own workforce are covered by the Health and Safety Management System certified ISO 45001.The number of recordable work-related accidents of employees in the entity's own workforce in 2024 was equal to **76**. With reference to number of recordable work-related accidents of non-employees in the entity's was equal to **37** for the year 2024. The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health of employees was equal to **877,5** in 2024.

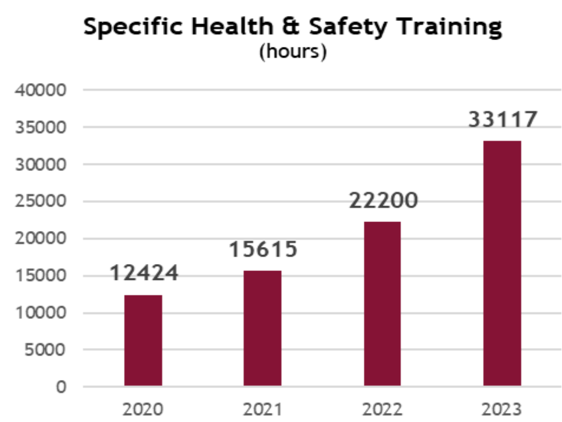
Competence and awareness

Competence of workers in health and safety include the knowledge and skills needed to appropriately identify hazards and deal with the risks associated with their work and workplace. Over the last years we have strengthened our commitment to improving workers' awareness and competences with a systemic and interdependent approach. In 2024, we continued along this path in training focusing on behavioural aspects. In

2024, H&S specific training was 30,911 hours aligned with the previous year considering also that some activities are carried out periodically. It has to be noted that H&S training hours represent more than 40% of the total Group training hours.

SPECIFIC HEALTH & SAFETY TRAINING

(hours)



BOX: **People into truck: blind spot awareness**

Our goal is to influence the safety attitudes of our truck drivers, involving and training them in risk identification, rules, practices, and behaviours to follow for safe driving. In addition to the management truck's safety devices, we focused on behaviour in case of blind spot, one of the main important risk factors in the vehicle-human interface on the road.

At the same time education of road users starting from children is essential. For this reason, during the annual quarry walk in Belgium, we organized some awareness sessions for children and young people involving drivers too. They were invited to climb into the trucks to see what they could and could not see from the cabin. They receive behavioural guidance and proactive approach to be followed avoiding potential collision.

More than 250 people were sensitized of which 145 climbed into truck!

S1-15 – Work-life balance metrics

Cementir is committed to supporting its employees in their parenthood journey.

	Male	Female
Employees entitled to parental leave	98%	97%
Employees entitled to carers' leave	45%	59%
Employees who took parental leave on employee entitled	3%	6%
Employees who took carers' leave on employee entitled	1%	2%
Return to work rate of employees that took parental leave	100%	77%
Return to work rate of employees that took carers'leave	100%	100%

Cementir is committed to supporting its employees in their journey to parenthood. As of 2024, 97% women working in the Group had the right to take time off work for the birth of a child; helping them to reconcile their career with growing family responsibilities. The table below contains further information on the total number of employees who were entitled to parental leave, the total number of employees who took parental leave and the total number of employees who returned to work in the reference period after the end of parental leave.

The percentage of employees entitled to parental and/or carers' leave is calculated based on those who, according to national law, collective agreements, or local policies, are eligible for leave due to the birth of a child.

The percentage of employees who took parental and/or carers' leave is determined by the number of employees who took at least one day of leave in 2024, divided by the total number of entitled employees.

S1-16 – Remuneration metrics (pay gap and total remuneration)

Total remuneration

In 2024, the ratio between the annual total remuneration of the most paid employee and the median of all other employee’s annual total remuneration was 107.

Total Annual Remuneration includes Base Annual Gross Salary, Variable Incentives (Sales incentives, short- and long-term variable plans), Profit Sharing, other variable cash payment. Variable incentives are considered as Actual paid during the reference year, taking into account pro-rata calculation linked to the effective presence in the company. Moreover, it has to be highlighted that for the specific calculation of the total remuneration the effect of IAS29 is excluded from the personnel cost.

The remuneration strategy of Cementir is aimed at guaranteeing a fair and attractive reward package, considering the individual performance, the internal equity, the market practices, the macroeconomic and social environment in continuous evolution. A fair and attractive remuneration is a key pillar to attract, retain and motivate key people, and, at the same time, to promote a conduct in line with the corporate culture and values. Cementir Holding adopts a total reward strategy that includes several tools to compensate its employees who are motivated through a competitive base salary, a short-term variable incentive evaluated and paid annual basis, a long-term variable incentive for top management roles and a welfare offer that can balance personal and professional needs.

Furthermore, Cementir Holding total reward strategy previews career plans, training and development opportunities and international assignments possibilities, all aimed to foster professional growth. The Compensation and Benefits processes for the Company Top Management are directly managed by the Headquarters Human Resources and Organization Department, specifically by the Global Compensation & Benefits function.

Gender Pay Gap

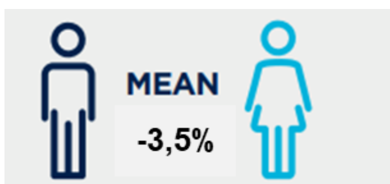
In 2024 the Group confirmed its commitment to diversity, equity and inclusion carry on the analysis started in 2023 with a pilot study in Türkiye. For 2024 the Group consolidated the approach by taking into consideration also the new guidelines related to the CSRD requirements conducting the gender pay gap analysis covering the entire population of the Group (with the exclusion of Sweden), The data considered is updated to July 31, 2024, as no significant salary changes were observed in the latter part of the year due to the salary review process completion at that month and the conversion rate applied is based as of the abovementioned date.

Related to the outcome of the analysis, it is important to note some conditions related to the Cement industry that affect the high-level analysis:

- There are more men than women (13% women vs men at Group level);
- Women are under-represented in the business department compared to the staff department (9% vs 43%);
- It should be noted that the single indicator used does not account for regional salary differences across the areas where the Group operates;
- Different seniority can affect the results;
- Unique KPI including BCs and WCs.

The mean gender pay gap across the Group is -3,5% considering the ESRS (ESRS S3 Equal Opportunities) formula: ((Average Gross Hourly Level of Male Employees - Average Gross Hourly Level of Female Employees)/ Average Gross Hourly Level of Male Employees))*100--

Considering the above-mentioned conditions of the Cement industry, the HR department has conducted a deeper analysis as done in 2023 with the pilot study, by role showing that men and women are paid the same salary for equivalent levels of work when the presence of the less represented gender is statistically significant.



	Role	% women vs men	Results
China Technical	***Lab Tester***	**43%**	MEAN 4%
TURKEY Finance	***Accounts Payable Specialist***	**60%**	MEAN -1%
Denmark Finance	***Business Controller***	**50%**	MEAN -6%

The Cementir Group operates internationally and for us managing diversity also means paying attention to cultural and religious differences. The Group is respectful towards religious sensibilities in the various countries: in Malaysia, for example, special prayer rooms have been set up in the plant, according to the differing religious beliefs of employees. Moreover, consumption of certain foods has been avoided out of respect for cultural differences. The fundamental conventions of the International Labour Organization (ILO), concerning the abolition of forced labour, collective bargaining and the elimination of child labour and discrimination have been ratified[27] in most of the countries where the Group operates. In those countries where they have not been ratified, the Group has defined clear policies relating to these agreements in the Code of Ethics, which states: '*The Group offers the same opportunities to all workers and expressly forbids any form of abuse by those in positions of authority or coordination. Abuse means any behaviour that results in requesting, or persuading to offer, services, personal Favors, or other benefits detrimental to the dignity, professionalism or independence of others. All recipients of this Code, defined by national and international legislations, are required to refrain from engaging in illicit behaviour that is harmful to an individual, such as, but not limited to, offences against the individual, child labour, people trafficking and child pornography*'.

In addition, our Group Human Rights Policy has been published in order to raise awareness of these important topics among our employees and our suppliers and a structured audit process on human rights (as explained in the paragraph 'Human Rights audits performed in 2024') has been regularly carried out in each country. Cementir has also worked on the training plan to support the dissemination of these topics by launching specific training (mandatory and non-mandatory) on DE&I in 2024 leveraging the various digital tools.

In 2024 the Turkish subsidiary, Cimentas, confirmed the Happy Workplace certificate. The methodology behind this certificate involves a two-step analysis. Companies undergo evaluation both internally, with a survey addressed to employees, and on their HR governance, with a verification of the company's adopted practices. This certificate is awarded to companies that score above 70, demonstrating unparalleled standards for employee happiness within their respective industries.

In Egypt in 2024 the Company decided to improve the work environment and create better workplace and culture where everyone feels safe, valued, and respected. For this reason, the undertaking applied for the certification that is granted by international organization "**Best Place to Work**" with the objective to assess our people practice against highest standard of excellence in employee conditions. The assessment methodology involves a two-step analysis, survey addressed to the employees as well as HR governance and practice.

The evaluation process included several aspects of SWC' workplace such as culture, career & development opportunities, leadership, and talent management.

It has to be noted that this certificate "**Best Place to Work in Egypt**" is awarded to companies that score above 70, and the Company has achieved the 7th position in the ranking of the top (top workplace in Egypt 2024). This outstanding achievement reflects the management commitment in creating a positive workplace for the employees.

27 *Freedom of Association and Protection of the Right to Organise Convention, 1948 (No.87); Right to Organise and Collective Bargaining Convention, 1949 (No. 98); Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105); Minimum Age Convention, 1973 (No, 138); Worst Forms of Child Labour Convention, 1999 (No. 182); Equal Remuneration Convention, 1951 (No. 100); Discrimination (employment and occupation) Convention, 1958 (No. 111).*

S1-17 – Incidents, complaints and severe human rights impacts

In 2024 no work-related incidents of discrimination - on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations- have been found.

Incidents, complaints and severe human rights impacts	
Total number of incidents of discrimination, including harassment,	No incidents of discrimination were reported
Number of complaints filed through channels to raise concerns (including grievance mechanisms) and, where applicable, to the National Contact Points for OECD Multinational Enterprises	0
Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above, and a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements;	0
The number of severe human rights incidents connected to the undertaking's workforce in the reporting period, including an indication of how many of these are cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises. If no such incidents have occurred, the undertaking shall state this;	0
The total amount of fines, penalties and compensation for damages for the incidents described in (a) above, and a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements.	No penalties and fines thanks to the audit carried out yearly by internal audit department

S2 WORKERS IN THE VALUE CHAIN

"Our set of rules, the Supplier Code of Conduct, represents a crucial element of our cooperation and continuous dialogue with our suppliers."

Strategy

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The process to identify and assess material workers in the value chain-related impacts, risks and opportunities, is described in the "General Information" chapter, sections "Impact materiality assessment" and "Financial materiality: risk and opportunities assessment".

Cementir's workers can be defined as:

- workers functional to the Cementir's activity;
- on-site workers.

For the description of the main categories of workers in the value chain please refer to the Value Chain Overview paragraph of this report (refer to “General Information section”). Here below, as requested by paragraph 11 of ESRS S2, the list of workers in the value chain affected by Cementir’s operations.

Due to the type of business – as showed in the Value Chain Map represented in this report (refer to “General Information section”, “Understanding the context” paragraph) - the Company has limited traceability in the downstream phase of its value chain.

For this reason, all the documents related to policies and procedure practices need to be applied by the suppliers working or having business with Cementir, with the intent to implement similar management model as well.

Operations at significant risks of incidents of forced labour could be noticed in activities as mining, quarrying, in the following geographical areas: Cina, Malaysia, Turkey and Egypt.

Through the Enterprise Risk Management, Cementir monitors in its significant locations of operation and at general level that child labor is not practiced in any case and in any type of operation (such as mining and quarrying activities), and monitors operations and suppliers at significant risk for incidents of forced or compulsory labor. In addition, to monitor the entire value chain and due to the geographical area where raw materials are purchased, the Company monitors also that the prohibition of child labor is fully respected by its supplier and the related location of operation where they operate.

The potential negative impacts identified are the following ones, that do not arise from the transition to greener and climate-neutral operations :

● Upstream activities Mining and Quarrying there is the possibility that contracts (e.g temporary) do not guarantee contractual security.

● The inhalation of silica dust by workers can lead to the development of chronic health conditions, resulting in negative external impacts on their health.

● The use of heavy equipment and quarrying operations by the undertaking can lead to high fatality rates, significant health and safety risks for their employees and contractors.

● Severe human rights issues (e.g. forced labor, human trafficking or child labor) affecting the undertaking’s own workforce can lead to a negative impact for Cementir.

No material positive impacts are defined.

The resulting risks are listed below:

● Risks related to vendors, haulers, clients, subcontractors injuries during the service performing or in close proximity of the company's plant can lead to significant reputational damage and legal liabilities. These incidents could result in increased insurance costs, potential legal settlements, and loss of business. Such financial impacts would likely contribute to a decrease in EBITDA.

● Worker injuries, illnesses, and fatalities can lead to regulatory penalties, negative publicity, low worker morale and productivity, increased healthcare and compensation costs, and potential litigation, all of which can have a significant financial impact on the business.

● Geographical areas can have risk related to child and forced labor can lead to reputational risk and sanctions, operational costs can increase.

Impact, risk and opportunity management

S2-1 - Policies related to value chain workers

Contractual security is managed by Cementir in the Group human rights policy (please, refer to the General Information section to deep-dive) publicly available on the website of the Company, and applicable to the workers in the value chain too. The Company safeguards the development of human capital, the respect of human and workers' rights, the advance of an inclusive and equal working culture and the people empowerment to be active members in the organization. Specifically, the policy promotes freedom of association and the right to collective bargaining, as a favored instrument for determining the contractual conditions of its employees as well as regulating relations between management and unions. Furthermore, the Supplier Code of Conduct (please, refer to the General Information section to deep-dive) clearly sets out the human rights and labor standards upheld within its supply chain, in accordance with current national and international legislation for the protection of working conditions, the respect of personal dignity.

With respect to the negative impacts related to health and safety (i.e inhalation of silica dust and the use of heavy equipment) the Group culture is focused on the prevention of injuries and work-related illnesses, as defined in the Group Occupational Health & Safety (OH&S) Policy (please, refer to the General Information section to deep-dive). Through the policy, the Group health and safety management systems is improved, thanks to coordination of local efforts, methodological standardization and dissemination of best practices and guidelines across operating companies. It provides a framework for prevention of work-related incidents and illnesses, in line with international reference standards, based on key requirements such as the definition of work-related procedures and practices, training and coaching employees, learning from accidents.

In addition, Cementir considers the protection of occupational health and safety and the well-being of people as core values in the management and development of its business. Its sustainable development strategy pursues continuous improvement in environmental, occupational health and safety, social and welfare aspects, in accordance with the sustainability model defined by the United Nations Global Compact. Further details are defined in the Code of Ethics (please, refer to the General Information section to deep-dive).

Moreover, Cementir believes that health and safety management and disaster prevention have an important role in ensuring sustainable and stable benefits for all stakeholders all along its value chain. Suppliers are expected to ensure a safe and healthy work environment through, for instance:

- the identification, assessment and control of workers' exposure to health and safety risks;

- the development of appropriate systems for the detection, analysis and elimination of any hazardous situation;

- the continuous improvement of occupational health, safety and environmental performance associated with their processes, products and services throughout their life cycle;

- the provision of necessary personal protection equipment (PPE) for all workers (such as eye protection, face masks, ventilation devices, hard hats, heavy gloves, etc.) with instruction for using such PPE;

- the provision of adequate safety information and training courses for workers, ensuring adequate updates thereof;

- the creation of a peaceful and positive working environment, which is reflected in the productivity and development of the Supplier itself.

Negative impact related to severe human rights issues is managed through the Group human rights policy (please, refer to the General Information section to deep-dive), that explicitly prohibits child, forced or compulsory labor. In line with its commitment to the UNGC and its "Principle 1: Support and respect the protection of internationally proclaimed human rights" and "Principle 2: Ensure that business practices are not complicit in human rights abuses"; Cementir contributes to the effective abolition of child labor. Moreover, respecting "Principle 3: Uphold the freedom of association and the effective recognition of the right to collective bargaining" the Company verifies that all its workers and those of the suppliers can have the possibility to prevail over their rights.

In addition, thanks to the Whistleblowing procedure too, the Company monitors these types of risks and also Audit on Human Right are regularly carried out by Internal Audit Department.

In order to strengthen responsible management in the supply chain that extends beyond its direct supplier, Cementir undertakes to establish and maintain the procedures necessary to evaluate and select its suppliers on the basis of their level of quality, social and environmental responsibility. Indeed, the Company does not limit its assessments of products and services offered to the mere cost proposed, paying utmost attention instead to the value proposed, thereby including quality, innovation, flexibility, economic, social and environmental responsibility and business ethics.

Thanks to the Industrial Relations function, the Company monitors how workers in the value chain can be negatively and materially impacted.

Cementir Group is committed to implementing the United Nations Framework and Guiding Principles on Business and Human Rights and having these fundamental principles endorsed within its supply chain.

The Group is also committed to conduct its business in line with the principles set out in the Universal Declaration of Human Rights and the International Labour Organization (ILO) based on respect for the dignity of the individual without distinction of any kind. Cementir encourages its suppliers to embrace these international standards, expecting them to respect the human rights of their employees in the workplace, and to promote human rights within their value chain. Those principles designed to cover employees also apply to contract workers and any workers without a formal contract of employment.

As provided by national and international regulations, suppliers are required to refrain from engaging in unlawful conduct harmful to individuals, such as, but not limited to, offenses against a person, child labour, people trafficking and child pornography.

The Supplier Code of Conduct formalizes Cementir set of rules to increase transparency in terms of working conditions, labour rights, environment and anticorruption. It is applicable to all Cementir Group Procurement suppliers: the minimum standards that are set out in this document will be enforced contractually and suppliers are expected to constantly monitor their own and their suppliers' compliance.

S2-2 - Processes for engaging with value chain workers about impacts

Cementir currently does not have an approach related to engaging with supply chain workers, contractors or sub-contractors. The Group is evaluating how to effectively engage with the supply chain workers on impacts while assessing the possibility of engagement in setting targets and tracking performance.

The Company in order to reinforce its commitment with the Value Chain and its workers is evaluating in 2025 to adopt a Sustainable Procurement Policy. To reinforce this requirement Cementir will evaluate to attach to the contract agreement and in the General Purchasing conditions, the Sustainability clauses in order to strength standards and requirements related to ESG topics and thus in particular for the upstream part of the value chain. Moreover, together with Procurement Department the Company will evaluate to implement within the next 2 years a Sustainability self-assessment that will be provided to all new suppliers before to sign the contract agreement. Starting from the very first contact, all Cementir suppliers will be assessed on their social, environmental and business ethics responsibilities in addition to the economic and products or services quality to be supplied. The self-assessment procedure will be introduced with the aim to require to new suppliers of raw material and high value added (HVA) parts, to auto-certify the fundamental requirements of sustainability performance with respect to the principal national and international regulations on work, environment, and business ethics.

S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

Cementir recognizes that genuine commitment to detecting and preventing the identified risks and negative impacts, related to the workers in the value chain.

With regards to the negative impact generated by the silica dust and the use of heavy equipment, the Group's culture emphasizes the prevention of injuries and work-related illnesses, as outlined in the Group Occupational Health & Safety (OH&S) Policy. The policy enhances the Group's health and safety management systems by coordinating local initiatives, standardizing methodologies, and sharing best practices and guidelines across all operating companies. It establishes a framework for preventing workplace incidents and illnesses, aligning with international standards. This framework includes key elements such as defining work procedures and practices, providing training and coaching to employees, and learning from accidents.

In addition, as defined in the Supplier Code of Conduct, when entering into business relationship with Cementir, suppliers commit to behaving in accordance with all relevant national, international and supranational laws, as well as with the values and requirements described in Cementir policies, demanding the same from their own suppliers.

In particular, the Company requires to its value chain to comply with the laws and regulations of the respective countries in which Cementir operates and to apply in the same manner the highest standards of economic, social, ethical, and environmental practices. With specific reference to the respect of Human Right for workers on the value chain through the collective bargaining, the social dialogue and the agreements made with Unions representative the Company is always available to listen and cooperate in case of negative impacts that could affect the workers on the value chain and their rights. Moreover, the Suppliers Code of Conduct clearly states how to proceed with Whistleblowing Management Procedure to denounce to any type of complaint that has affected workers and their related Human Rights.

With regards to the other negative impact, related to access to secure employment and severe human rights issues Cementir provides a specific clause on workers' rights which is signed by the supplier in the Supplier Code of Conduct.

Regarding channels, the Whistleblowing Management Procedure defines communication channels for reporting violations, suspected violations and inducements to commit violations of any laws and regulations, principles enshrined in the Code of Ethics and the Code of Conduct, internal control principles, company rules and procedures and/or any other act or omission that may lead directly or indirectly to financial or image damage for the Company and thus in full compliance with the European Directive 1937/2019, pursuant to Article 6 of Legislative Decree 24/2023.

The Whistleblowing Management Procedure is addressed to all internal and external stakeholders. Thanks to the Whistleblowing channel, available for all stakeholders, 24/7, it is possible for all employees, customers, suppliers and other external stakeholders to raise concerns about unethical, inappropriate or illegal behavior they are aware of.

In accordance with local laws and regulations, Cementir communicates through its Whistleblowing Management Procedure. The Online Whistleblowing Channel complies with legal requirements and security standards and guarantees the confidentiality of the whistleblowers’ identity, unless the whistleblowers have consented to the disclosure of their identity. The Whistleblowing Management Procedure is published on the corporate website and governs the manner of reporting breaches, suspected breaches and inducement to breaches in the matter of law and regulations, principles ratified by the Code of Ethics, including reports relating to equal opportunities, discrimination and mobbing, in addition to all that is dealt with in the Group Policies, internal auditing principles, corporate policies, rules and procedures, and any other behavior involving commission or omission of acts that might directly or indirectly lead to economic-equity detriment, or even one of image, for the Group and/or its companies.

Moreover, Cementir strongly suggests to its suppliers to have at their turn a complaint reporting channel which allows to report, also anonymously, compliance concerns, respecting the confidentiality requirements and ensuring the protection of the whistleblower against any form of retaliation.

In case of workers in the value chain who want to denounce and complaint about issues that directly impact their work, they can denounce – as per all stakeholders - through the Whistleblowing channel, of which they are explicitly informed in the Supplier Code of Conduct.

All concerns raised are properly assessed and investigated by the Internal Audit Department, within the timeframe provided by the abovementioned Directive and in full compliance with the requirements set out therein. In any event, the Company ensure the protection of whistleblowers from any kind of retaliation and discrimination, as clearly stated in the Supplier Code of Conduct – specific section "Relations of suppliers with Cementir Holding Group employees".

Internal Audit Department is responsible to analyze all the complaints received, to involve corporate functions deemed concerned for the activities necessary for verification.

Moreover, after the analysis carried out, Internal Audit Department can assign to the function involved in the complaint, specific action plans to be implemented with the agreed deadline. Internal Audit periodically reports the complaints received, the progress of the analyses carried out and the related actions plans implemented, to the Top Management.

It recommends the Company to adopt adequate disciplinary and/or legal actions thus with the aim to prevent situations that could affect negatively the Company. It has to be noted that the receipt, the analysis and the initiation of the verification will be managed by the Chief Internal Audit Officer of Cementir Holding.

With specific reference to Whistleblowing procedure, the Company tracks, monitors and follows all the complaints received preparing statistics related to the types, the number received, which have been confirmed, and which were generic and unsubstantial, specifying also the country were the fact happened. Furthermore, all results of 2024 are published in the Sustainability Statement referring to the reporting period 01.01.2024 to 31.12.2024.

For further details about the number of complaints, please refer to the Governance section, "The Code of Ethics" paragraph.

With the aim to release a Sustainable Procurement Policy and to add Sustainability clauses in the General Purchasing Condition within the next year, Cementir will insert specific reference to Whistleblowing mechanism and thus with the aim to sensitize and raise awareness to value chain workers regarding grievance mechanism and complaint process. Thanks to the release of the Sustainable Procurement Policy, the Company will expect Suppliers and related workers on the value chain, to understand clearly the possibility to raise a complaint through a dedicated reporting channel set by the supplier or through the Cementir's website. Moreover, it will be important to sensitize the workers that the complaint can be done in an anonymous way, (it has to be noted that whistleblowing channel must comply with the confidentiality requirements ensuring the protection of the whistleblower against any form of retaliation) and all types of concern can be denounced if the whistleblower consider that some illicit have been made and/or if some processes or procedures have not been respected.

S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

Impact	Actions taken, planned or underway to prevent or mitigate material negative impacts on value chain workers	Tracking and assessment of the effectiveness of such actions	Responsible functions
Inhalation of silica dust Heavy equipment	HSE Policy, Training Safety equipment	Update training based on required laws Injuries number Awareness campaign	HSE Internal Audit
Access to secure employment	Supplier Code of Conduct Verification of the contract by the legal department.	Signed for acknowledgment Legal checks that it is correctly signed	Legal Procurement
Severe human rights	Supplier Code of Conduct Group HR Policy	Grievance mechanism Audit on human rights	Internal Audit Human Resources

In 2024, no cases of human rights violation have been reported.

Metrics and targets

S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Currently, no specific targets related to the workers in the value chain material sub-topic- working conditions and other work-related rights – have been planned.

Nevertheless, with the definition of the Procurement policy, specific targets and metrics will be set within 2025.

S3 AFFECTED COMMUNITIES

We support our communities

“We create value for local communities, listening to their needs and concerns and basing our relationships with them on transparency and accountability.**”**

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model

The process to identify and assess material affected communities-related impacts, risks and opportunities, is described in the “General Information” chapter, sections “Impact materiality assessment” and “Financial materiality: risk and opportunities assessment”.

The Cementir Group is constantly improving technical solutions to reduce environmental impact and balance the interests of the Company with those of local communities. The Group has identified the negative impact that the companies' activities, in particular related to the production ones, may lead to critical and/or unfavourable attitudes among local communities and local stakeholders, with consequent deterioration of the Company's image.

In particular, Cementir identified a negative impact in the large amount of water required for production, this can lead to water scarcity in water sensitive areas. To address these matters, the Cementir Group has reinforced its dedicated HSE Department, which oversees health, safety, and environmental issues within the Group. Specifically, local HSE managers have been appointed in all countries where the company operates. These managers are responsible for maintaining an active dialogue with local communities, gathering critical issues and complaints, which are then addressed internally by the Group in collaboration with the relevant departments.

This becomes even more important where increased urbanization has brought cities closer to the Group's plants, particularly in Turkey. For this reason, specific tools have been adopted to map the stakeholders who should be involved in defining the actions to be implemented and in communicating the relevant measures relating to the operation of the plants. These tools also allow Group companies to analyse stakeholder complaints and suggestions, in order to provide the necessary information or plan targeted actions.

As for community members, the Company has focused on organizing meetings with groups of residents to provide them with detailed information about the work and operations that take place at the Group's sites. As an example, in Turkey, the proximity of the Elazığ and Izmir plants to residential areas underlines the importance of a constant dialogue with local communities, which are particularly sensitive to the surrounding environment and the visual impact of the plants. To address these precise concerns, Çimentaş is adopting specific strategies of engagement and communication with stakeholders interested in the topic, promoting opportunities for dialogue and mutual debate throughout the year.

Par.9 Cementir recognizes that its operations can impact various communities, particularly those in proximity to its plants. The company has identified several groups that may be negatively affected by its activities. Specifically, the affected communities in scope of this disclosure are limited to:

communities living or working near operational sites, factories, plants or other facilities where the company physically operates, or more remote communities that are affected by activities at such sites (e.g. due to downstream water pollution.

ESRS affected communities' definition	Applicability for Cementir
Communities living or working around the undertaking's operating ***sites,*** factories, facilities or other physical operations, or more remote communities affected by activities at those sites (for example by downstream water ***pollution)***	Yes
Communities along the undertaking's value chain (for example, those affected by the operations of ***suppliers'*** facilities or by the activities of logistics or distribution providers)	Yes
Communities at one or both endpoints of the value chain (for example, at the point of extraction of metals or minerals or harvesting of commodities, or communities around ***waste*** or ***recycling*** sites	Yes
Communities of ***indigenous peoples***	No

Each single plant provides to organize periodic meetings with the local communities to understand their special needs or requests, as dust complaints, noise complaints about trucks. HSE manager relates with the local institutions / associations, through discussion with representatives of local communities. Results of the discussion are then then reviewed internally to identify appropriate and feasible solutions. The frequency of other interactions is determined on a needs-basis.

All the affected communities by Cementir's activity (see table above), are impacted by the negative impacts and the risk identified by the DMA (please, refer to the General information section for the specific description).

Impact, risk and opportunity management

S3-1 - Policies related to affected communities

Cementir has established comprehensive policies to manage its material impact and risks related to affected communities. These policies are designed to address the specific needs of various communities impacted by the company's operations.

The Group Water Policy (please, refer to the General Information section to deep-dive) is particularly relevant to communities in water-scarce regions, as it addresses the company's responsibility to manage water resources sustainably, thereby reducing potential conflicts over water usage. The policy clearly emphasizes that a key commitment of the Company is to foster a relationship of constructive collaboration, grounded in complete openness and trust, both within the organization and with the local community and institutions, in order to address water-related challenges and promote the conservation of this shared resource.

In addition, Cementir is dedicated to generating value for local communities, as described in the Stakeholder engagement policy (please, refer to the General Information section to deep-dive), by listening to their voices and building relationships based on transparency and accountability. This commitment is reflected in the company's approach to community engagement and its efforts to positively affect local communities.

Cementir's Group Human Rights Policy, Supplier Code of Conduct and Group Code of Ethics aim to support and guide management and employees in ensuring compliance with international standards, including the United Nations Declaration of Human Rights, ILO Conventions and the OECD Guidelines, towards the communities affected by the Company's operations.
The Company recognizes these international principles for respecting and promoting fundamental human rights in every geographical area in which it operates and in its business relationships.

In particular, as defined in the Group Human Rights Policy, Cementir seeks to avoid involuntary resettlements. In situations where it is unavoidable, the Company commits to comply with the national governments or regional authorities' guidelines on resettlement and rehabilitation and also act in line with international human rights norms on this subject.

In addition, Cementir strives to ensure that the provision of security to its operations and its engagement with public and private security forces is consistent with the laws of the relevant country and relevant international standards and guidelines. In addition, the Company will adapt its security arrangements to balance the need for safety while respecting human rights.

Furthermore, the Group works toward understanding and applying sound practices for land and water use consistent with emerging international practices while respecting human rights.

Lastly, the Company recognizes that in countries that are politically less stable or where human rights are compromised dilemmas may arise, including whether or how it can continue to operate in that country with integrity. Cementir will act in such a way that none of its operations consciously contributes

S3-2 - PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES ABOUT IMPACTS

Cementir has focused on organizing meetings with groups of residents to provide them with detailed information about the work and operations taking place at the Group's sites. The Group Corporate Social Responsibility Policy entailed the perspectives of affected communities.

With specific reference to communities concerned that may be particularly vulnerable to impacts and/or marginalized, as well as the opinion of specific groups within the communities concerned such as women and girls, the Company, takes measures organizing periodic sessions to understand the views and needs of the communities concerned and works constantly to satisfy their necessities.

Cementir is committed to listen constantly the needs arising from the affected communities. It has to be noted that at local level, in all the countries where the Company operates, HSE Manager are responsible for the active dialogue with local communities supporting their exigencies and specific requests, through regular meeting based on their needs. Additionally, the Company regularly updates the communities on its activities and gathers their concerns, as outlined in the Stakeholder engagement policy, trough the main engagement tools of local communities (dedicated meetings, direct contact, official reports).

S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns

Enterprise Risk Management aims to provide support to the decision-making and operational processes of company management, to reduce the possibility that specific events could compromise the Group's ordinary operations or the achievement of its strategic objectives. The Cementir Group's Internal Control and Risk Management System is integrated with the Group's Sustainability Strategy. Risk Management and Internal Audit are the main responsible for the internal control and risk management system (second and third level of control). They are responsible for verifying that the Internal Control and Risk Management System is adequately working with respect to the size and operations of the Group. In particular, they are responsible to verify that the Management has identified the main risks, evaluated in a consistent manner, and that the appropriate mitigation actions have been defined and implemented.

In accordance with applicable legislation, the Group has established whistleblowing management process to report suspected human rights violations and any other potential violation.

S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

Cementir production requires large amounts of water, causing water scarcity and negative impacts on local communities and other industries. Nevertheless, the Company signed the WASH Pledge, engaging to taking action on WASH (water, sanitation and hygiene) at all its workplaces within the next three years. At local level the Company also decided to clean cars and streets from dust to prevent negative impacts on the affected communities.

In the case of a negative impact, Internal Audit function is responsible for conducting analyses to identify the issue, proposing corrective actions to mitigate the identified impact, and overseeing the follow-up to ensure the actions are properly implemented and maintained.

Thanks to the Enterprise Risk Management the Company is able to identify the actions needed in case of actual or potential negative impact. The aim is to prevent any kind of negative impact and for this reason the Company with its Enterprise Risk Management Committee works constantly to prevent risks that could impacts affected communities. There is a process owner for each risk area, responsible locally for risk mitigation.

The Company has an active dialogue with local communities, listening to the request based on country and association and their specific needs.

No case of incidents in terms of human rights have been found in 2024.

Impact	Actions taken, planned or underway to prevent or mitigate material negative impacts on affected communities	Tracking and assessment of the effectiveness of such actions	Responsible functions
Water scarcity	HSE Policy Water Policy ERM	Correct application of the policy Dialogue with the local communities Action to improve process to improve ERM	HSE, Internal Audit

Metrics and targets

S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The commitment towards the community is a core principle of Cementir and directly linked to the company's purpose of positively affecting local communities. The company is aware that the creation of long-lasting value is strictly linked to building sustainable initiatives that strengthen local communities and improve their quality of life and well-being. For all these reasons Cementir is active on several levels, some well-established and present for many years (e.g. Çimentaş Education and Health Foundation, recovery of heat from kiln fuel), some others occasional but crucial for building thriving and inclusive communities (e.g. Marche des carrières).

S4 CONSUMERS AND END USERS

"The Group has developed its own direct, closer and 'local' business model, to improve customer support and to understand customers' needs."

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model

The process to identify and assess material consumers and end-users-related impacts, risks and opportunities, are described in the "General Information" chapter, sections "Impact materiality assessment" and "Financial materiality: risk and opportunities assessment"."

Cementir's customers are businesses or organizations that purchase products like cement, aggregates, and ready-mix concrete, while end-users are the employees using those products in their work, as well as the public benefiting from the completed infrastructure.

Consumers are defined as the individuals who use its clients' products or services, specifically citizens who use the final product for personal purposes. In general, these citizens may face potential risks to their right to privacy and protection of personal data.

The company collaborates closely with its clients to gain insights into the needs of consumers and end-users, assessing whether there is any risk of significant negative impact on them.

Impacts, risks and opportunities management

S4-1 - Policies related to consumers and end-users

Cementir Group addresses the cybersecurity risk embracing a multi-year Cybersecurity Program. The Cementir Group Cybersecurity Program is inspired by the indications contained in the NIST Cybersecurity Framework, investing resources to deploy a proper Cybersecurity environment.

The Cementir Group Cybersecurity Framework includes several items: Extended Detection and Response tool (XDR), SASE environment, NextGen firewalling, Multi Factor Authentication (MFA), email filtering and protection, vulnerability management and a SOC team (security Operation Centre) which analyses the outcome of the different items to identify possible threats.

Special attention given to employees' cybersecurity awareness. Indeed, to reinforce their sensitivity on the topic, several courses were held in 2024 (some of them based on a game/learning platform) and regular phishing campaigns have been issued throughout the year, evaluating the results and using them as a 'lesson learned' activity. Further details are available at the paragraph 'Cementir Academy'.

Every year a Cybersecurity Assessment is conducted, and based on the outcomes, some actions are regularly deployed.

In the most recent calendar year, the following actions were deployed:

• Reinforced Vulnerability Management and patching process.

• Activation of a SOC service.

• Deployment and testing a Security Incident Response Plan.

• Cybersecurity controls that are regularly performed and monitored.

• Limiting and management of Privileged Accounts.

• Phishing Campaigns and Advanced Training on the latest threats. Lastly, in order to review our Cybersecurity posture, the Cementir Group is submitted to a Cybersecurity Rating Program and to some ethical hacking activities. The Cybersecurity Program is directly sponsored by the COO, and the activities are shared regularly with the Board of Directors.

Cementir Holding N.V. adopts a customer-centric approach, placing the customer at the centre of all its business activities. Through a sophisticated customer relationship management (CRM) system, the company effectively and rapidly responds to market needs. Regular surveys and performance measurements enable Cementir to adapt strategies, make informed decisions, and promote continuous improvement of its offerings. The company builds lasting relationships with customers to better understand their needs and provide value-added solutions, starting from the product and offering adequate support during the design, development, and construction phases. Cementir's vertically integrated production model, combined with the professionalism and technical competence of its experts, allows the promotion of low environmental impact solutions, responding to the needs of the circular economy.

In addition to its customer-centric approach, Cementir upholds a Code of Ethics to ensure that all activities are conducted with integrity, correctness, and compliance with applicable laws. This code applies to all individuals acting on behalf of Cementir, including employees and collaborators, and extends to long-term business partners such as suppliers and customers. The company is committed to ensuring that the principles in the Code are respected by all stakeholders.

Furthermore, Cementir has established dedicated channels for reporting any violations of the Code of Ethics or other malpractices. These channels are available to both internal and external parties, including customers, and are managed by the Internal Audit Department to ensure confidentiality and proper handling of reports.

Through these policies and procedures, Cementir demonstrates its commitment to ethical conduct, customer satisfaction, and continuous improvement in its business practices.

As defined by the Whistleblowing Management Procedure, the whistleblowing procedure is applicable to situations in which an individual (both internal or external to Cementir Group) raises concern about a risk, malpractices, wrongdoing, or frauds that affects members of Cementir Group, in the following areas:

• Financial accounting (i.e., presumed misstatement / negligence in the financial statement and internal control);

• Articles of law and regulation violation;

• Bribery and corruption;

• Antitrust practices;

• Danger to health and safety;

• Danger to the environment;

• Discrimination and harassment;

• Other kind of violations of behavioural principles included in the Code of Ethics or recognized by Cementir Group Reports about the above-mentioned situation might involve any director, manager, employee, partner, customer, supplier, consultant, collaborator, external auditor, institution and public authority but also those who operate for Cementir Holding N.V. and other companies within the Group or that are in business relations with the Group.

In addition, through the Group Human Rights Policy - which is applied on all stakeholders including customers - Cementir endorses the principles included in the Universal Declaration of Human Rights and the International Labour Organization (ILO) based on respect for the dignity of the individual without distinction of any kind. It clearly entails respecting and promoting human rights when engaging with subcontractors, suppliers, customers, joint venture and other partners, through proactive engagement, monitoring and contractual provisions.

The Group Human Rights Policy is written with reference to the highest international standards, including reference to customers. Refer to the Human Rights section, “Commitment” paragraph, in S1-1 Policies related to own workforce.

S4-2 - Processes for engaging with consumers and end-users about impacts

Acting locally while remaining global can be clearly observed and is a distinctive component of the Cementir approach, pursuing the so-called ‘local’ strategy.

The Group has developed its own more direct, closer and more ‘local’ business model, to improve customer support and to understand customers’ needs. The Group continues to grow internationally but remains focused on individual customer needs in local and regional markets.

The strategic intention of having direct engagement with customers is well established in Europe and in most of the national markets in other regions (including Egypt, China, Australia, Malaysia and North America), where the Group is working and partnering with industrial customers.

Proximity and a synergistic approach - aimed at managing customers through various coordinated contact points (sales and marketing, supply chain, customer service, technical service, laboratory, etc.) - improves the Group’s visibility in the customer value chain.

All of this is essential for allowing the Group to offer a differentiated and tailor-made value proposition, ranging from products to value-added services (complete logistics management, online software tools, online ordering, dedicated testing programs, etc.), as well as co-development and innovation initiatives.

Targeting industrial users and the main decision makers in the construction sector, the Group has developed services and mobilized resources and expertise to provide a holistic view of both cost and environmental impact, thereby enabling customers to identify how best to optimize performance. Cementir values these close and reciprocal relationships, which are based on a shared desire to find the most sustainable and cost-effective solutions to solve complex challenges in material production and construction.

The Group exports to over 70 markets and is working to further develop its direct approach to further enhance the Group's stable and sustainable position on the market. This strategic path was launched in recent years, with the aim of exploiting the full potential of structured and direct customer management. The Group has developed a comprehensive local sales and logistics network in more than 20 countries.

Customers are indeed widely engaged with Cementir through specific customer events and seminars (in different formats: in-person, hybrid, live-online) focused on current trends and solutions for the construction and building materials industry as well as through our online resources (websites, blog, etc.) and social media presence with e-learning on our product performances and applications and to share the latest information and projects.

Cementir has at various times acted as organizer, speaker and participant with its own stand, at both local and international level on several occasions. Cementir has at various times acted as organizer, speaker and participant with its own stand, at both local and international level on several occasions.

In June 2024 Aalborg Portland arranged PORTLAND OPEN 2024, celebrating the 10-year anniversary for the event. It brought together customers and partners from the domestic market, with most of the customer base across all segments. The program presented a great opportunity for the participants to get updated on the latest sustainability and strategic initiatives from Aalborg Portland, forecasts on the carbon footprint of cement and concrete in the coming years, and technical guidelines from our experts on improving quality and efficiency in the daily production. The presentations were combined with plenty of opportunities to network with peers from the industry.

In August, CCB celebrated the 125th anniversary of the Clypot quarry: a unique opportunity to invite all the stakeholders, including key customers, partners, public authorities, residents and, finally, company's employees. CCB reinforced its commitments on sustainable development and its ambitions in terms of circularity, with some key achievement: a formal commitment to biodiversity with the signing of a Life in Quarry agreement, the potabilization of mine water and the supply of drinking water to more than 20,000 households, the recent investment of nearly €2 million to improve traffic flow for all users of the public roads around the quarry.

Hearing The Voice Of The Customer And Measuring Performance

While operating in a traditional sector, the Group has moved towards a more customer-oriented approach. The process started internally as a complex management process, for which management and teams received extensive training and were rewarded based on customer-driven goals and initiatives using 'lean' tools.

Customer Relationship Management (CRM) models and systems have been implemented. Today, sales and marketing teams use CRM worldwide to track, measure and develop the quality and results of each individual customer relationship, including anticipating their needs and business opportunities.

Listening to and understanding the Voice of the Customer is a fundamental approach that begins with day-to-day customer management through each product delivery and extends into more sophisticated and customized activities. The approach aims to respond effectively and quickly to customers' needs and the problems that arise from feedback throughout the journey with the customer.

A further objective is to integrate in the next years the understanding of customer needs into business processes and to use their feedback to build long-term strategies, inspire business decisions and promote continuous improvement.

In addition to some transactional surveys and 'informal' monitoring of relationships as part of the entire Group's day-to-day business, in Europe and Asia-Pacific (APAC), the Group also conducts a Voice of the Customer Survey (VoC) annually to measure customer satisfaction and engagement on product quality, services, innovation, relationships, sales processes, after-sales services and technical support. The results of this survey enable the Group to focus more on the customer in commercial operations. The organization uses these important results to develop plans to optimize its value proposition and to further improve customer satisfaction. The survey also identifies areas for improvement and is oriented towards strategic inter-functional, inter-company and inter-regional initiatives, some of which are incorporated in the strategic project programme. In 2024, our market perimeter remained constant, with enhanced content and greater surveying of populations with an improvement in the number of respondents.

More specifically, in the VoC, among other indicators, Cementir applies the Net Promoter Score (NPS) and Customer Loyalty Score (CLS). These methodologies allow direct dialogue with customers to continuously improve their experience and increase their loyalty.

In 2024, the overall NPS was 54.8, confirming and further improving the recovery trend started during 2023. Looking at the CLS in 2024, the overall index confirmed that customers feel very satisfied with Group products and services, for both the grey and white cement businesses and the score recorded was 98.0 higher than in 2023.

Additionally, greater emphasis was placed on the sustainability area, including more questions on this topic. The observed trend confirms that sustainability is becoming a key aspect in the industry and having a sustainable profile could offer a competitive edge.

	2024	2023	2022
Overall Net Promoter Score (NPS)	54.8	40.6	34.8
	2024	2023	2022
Overall Customer Loyalty Score (CLS)	98.0	94.9	93.2

S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Cementir has established a comprehensive whistleblowing channel to facilitate the reporting of unethical conduct, violations of the Code of Ethics, or other malpractices. This channel is accessible to both internal and external stakeholders, including consumers and end-users. Reports can be submitted confidentially through various means:

- **Online Form**: A dedicated online form is available on Cementir's official website for submitting reports.
- **Email**: Reports can be sent via email to a specified address provided on the website.
- **Postal Mail**: Reports can be mailed to a designated address listed on the website.
- **Dedicated Hotline**: A hotline is available for direct communication, ensuring anonymity and confidentiality.

The Internal Audit Department of Cementir Holding is responsible for managing the whistleblowing process across all companies within the Cementir Group. This department ensures that all reports are handled in compliance with international standards and the company's Code of Ethics. The process emphasizes cooperation between the Internal Audit Department and the whistleblower, with the latter's willingness to provide all available information being fundamental for a proper investigation.

By providing these channels, Cementir encourages consumers and end-users to report any concerns or unethical behaviour, fostering a culture of transparency and accountability within the company.

Whistleblowing Management Procedure is the main channel to report concerning conducts, including omissions, that do not comply with laws and regulations.

The Procedure and its implementation are reviewed on a regular basis and may be amended if deemed necessary by the Board of Directors, in compliance with the Group policy rules.

S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

The policies, procedures, and processes established by the company form the foundation for every action taken to prevent, mitigate, or remediate negative material impacts, including the specific actions and approaches required in response to each impact.

The company regularly trains its employees to identify phishing attempts delivered via email. This is done by sending simulated phishing emails to all staff members regularly. Employees who successfully detect and report the phishing attempt are congratulated, while those who miss the signs are informed about the specific indicators they should have noticed in the fake phishing email.

To protect against cyberattacks using deceptive websites and fake login interfaces, the company introduced a training program for all employees, focused on secure login practices. This initiative is part of the company's ongoing commitment to strengthening its cybersecurity defences and safeguarding the sensitive information it manages daily

Par.35 In 2024, no severe human rights issues and incidents connected to Cementir consumers and/or end-users have been reported

Impact	Actions taken, planned or underway to prevent or mitigate material negative impacts on consumers and end-users	Tracking and assessment of the effectiveness of such actions	Responsible functions
Data exposure	ICT Control Training on cybersecurity	Cybersecurity incident response plan	ICT Human Resources

Metrics and targets

S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

An additional objective is to integrate a deeper understanding of customer needs into business processes in the coming years, using their feedback to shape long-term strategies, guide business decisions, and drive continuous improvement. Along with this, there will be the establishment of metrics and targets.

GOVERNANCE INFORMATION

G1 BUSINESS CONDUCT

“Strong governance is a prerequisite for achieving our ESG goals. We have adopted a governance structure consistent with these objectives, to guide the Group towards a growing level of responsibility and awareness of sustainability issues. “

Governance

GOV-1 - The role of the administrative, supervisory and management bodies

Detailed information about the role of the Board of Directors is available in the “Corporate Governance” section of the Management Report.

Impact, risk and opportunity management

IRO-1- Description of the processes to identify and assess material impacts, risks and opportunities

The process to identify and assess material affected communities-related impacts, risks and opportunities, is described in the “General Information” chapter, sections “Impact materiality assessment” and “Financial materiality: risk and opportunities assessment”.”

The assessment resulted in the identification of the following risks:

- Whistleblowing Channel Policy with reference to confidentiality and anonymous complaint report potential misconduct or concerns with the aim to correct the problem timely without compromising the company's reputation, transparency and prevent financial risk/damages.
- Risks related to money laundering regulations' violations can lead to a financial loss for criminal and civil fines as per penalties and reputation damage that can drive to a loss of sales and consequently on revenues.
- Risks related to anti-corruption regulations' violations can lead the Company to pay fines and sanctions and can affect economic development, debarment from public contracts, and reputational damage.
- Business activity leading to price fixing or other manipulation of prices may result in material legal fines, business disruption, and financial losses.

G1-1- Business conduct policies and corporate culture

Risks related to the protection of whistle-blowers and corruption and bribery are mainly managed through the Code of Ethics and the Whistleblowing procedure, as described below (please refer to the General Information chapter for further details).

The Cementir Group is active in the fight against corruption. Indeed, in its Code of Ethics, it expressly prohibits ‘bribes, illegitimate favours, collusion, requests, directly and/or through third parties, with personal benefits for oneself or for others. Since 2015, the company has stepped up its efforts to fight corruption through a written policy that defines roles, responsibilities, operating methods and behavioural rules. All Group companies, employees and everyone acting in the name and on behalf of subsidiaries must comply with this collection of behavioural rules in the performance of their responsibilities. Disciplinary measures, sanctions and other consequences also apply in the case of noncompliance with the policy.

The main objective of the policy is to provide a consistent approach to the fight against corruption throughout the Group, to ensure that companies operate according to Group values, to preserve the reputation of individual companies and ensure compliance with applicable laws.

A compliance programme on corruption laws and in particular the UK Bribery Act was established during 2016. As well as covering the anti-corruption policy, the programme also sets out a procedure regulating gifts and hospitality, an assessment of corruption risk, due diligence to third parties and training and education plans.

In addition, Cementir Group prioritizes the training and development of its employees, offering comprehensive programs to enhance skills and competencies across various levels. The Cementir Academy serves as the central hub for these initiatives, providing both internal and external training opportunities. The academy's curriculum includes courses on compliance topics such as the Code of Ethics, the 231 Model, fraud management, and the whistleblowing system. The Company offers training on corporate culture, leadership models, corporate values, and cybersecurity. These programs aim to align employee behaviour with internal rules and procedures, fostering a culture of continuous improvement.

Through the Whistleblowing platform available to all stakeholders, any case of non-respect of Human Right can be denounced and thanks to Internal Audit Department a series a remedial action to review the process can be set and thus with the aim to have a better control on risks related to this topic. For this reason, Enterprise Risk Management is responsible to monitor and tracks all social risks and negative and potential impacts to prevent and/or mitigate the risk related to Human Rights.

In 2024, no critical concern has been raised through whistleblowing and consequently none has been reported.

For further details about whistleblowing system, please refer to the “Corporate governance” paragraph of the Management Report.

The antitrust compliance programmers adopted locally focus on issuing specific policies, monitoring their application through regular audit procedures, to ensure constant adequacy and correct implementation

The corporate culture and fundamental principles that the Group management prioritizes—and which have consistently guided the development activities of Cementir Group as a whole—are as follows: a firm belief in the value of a competitive market, which benefits not only customers but also fosters healthy growth for the Group's business; and a commitment to ensuring that employees across the Group operate independently from competitors. This independence is achieved by relying solely on their own skills, expertise, coordination within the Group, and the high quality of the Group’s products.

To uphold these principles, Cementir has adopted a comprehensive antitrust policy aimed at ensuring that all business activities comply with competition laws across its operating countries. This policy outlines roles, responsibilities, and procedures for antitrust compliance, explicitly prohibiting anti-competitive agreements and the abuse of dominant market positions. It provides clear guidelines for interactions with suppliers, distributors, customers, and competitors, while also addressing protocols for dawn raids and potential sanctions for violations. The policy emphasizes the importance of training, reporting obligations, and adherence to free and fair competition principles. It also references relevant articles from the Treaty on the Functioning of the European Union and aligns with the Group's Code of Ethics.

These values are disseminated through affiliates operating in various geographical regions by implementing consistent yet localized antitrust compliance programs. These programs are designed to educate all employees and executives about the core values, fundamental principles of competition law, and specific regulations applicable to their roles. Training events on these topics play a key role in fostering awareness and understanding.

The localized antitrust compliance programs focus on issuing tailored policies and monitoring their application through regular audit procedures to ensure ongoing adequacy and proper implementation. They are also updated as necessary to reflect regulatory or legal developments.

Under each competition compliance program, all relevant actions and transactions undertaken by the company are closely monitored. Their compliance with competition law requirements is thoroughly scrutinized by Internal

Audit to ensure adherence to both legal standards and best practices. This version improves readability while maintaining a professional tone suitable for corporate communication

G1-3- Prevention and detection of corruption and bribery

Integrity And Competition

The Cementir Group sees integrity and competition as fundamental principles, especially in view of the specific risks that characterize the cement and ready-mix concrete production sector. The Group's Code of Ethics is the reference document that sets out the rules of conduct that everyone in the Group and who works with it must follow.

Alongside the Code of Ethics, within the individual regions, specific programmed and procedures have been adopted to ensure that these risks are mitigated and that companies operate correctly. Training courses are held periodically, organized by the Group to maintain a constantly elevated of focus on this matter.

Cementir Holding has adopted a Code of Ethics[28] endorsing the business principles that all Company officers and employees, and anyone working with the company in any capacity, are required to comply with when pursuing company business. The Code of Ethics, which has been distributed to all staff and is available for consultation on the website www.cementirholding.com, covers respect for ethical and behavioural principles, and the protection of health, safety and the environment.

The Code of Ethics also states that the Group's operations must compete on the market in accordance with the laws and regulations of the relevant countries, in a spirit of integrity, propriety and confidentiality. To achieve this goal, the Cementir Group requires its employees to adhere to the highest standards of conduct in business, as set out in the Code and in the procedures to which it refers. The Group protects employees if they report violations of the Code and applies fair and proportional sanctions equally to all categories of employees, in accordance with the laws, contracts and domestic regulations applicable in the various jurisdictions.

To monitor the continued compliance with the Code of Ethics by those employed by the Company and its subsidiaries and uphold the applicable regulations, the Board of Directors established an Ethics Committee.

The Ethics Committee:

• Monitors dissemination of the Code of Ethics and suggests training and awareness initiatives.

• Reports to the Board of Directors on the status of the process of implementing the Code of Ethics, describing the programmers and initiatives undertaken to achieve the Company's goals, any changes required to ensure its effectiveness and updates to the Code including in response to legal developments.

• Provides support with the interpretation of the Code of Ethics.

• Verifies violations.

• Follow up on any reports of infringements.

•Also addresses the periodic information report on whistleblowing.

In 2024, 15 alleged violations were reported and investigated.

The outcomes are as follows:

● 5 claims were confirmed, leading to disciplinary actions, organizational changes, and operational improvements. These confirmed claims involved:

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[28] *For the Code of Ethics, please see Code of Ethics 25 august 2020.pdf (cementirholding.com).*

- ○ One instance of an employee misusing industrial-use fuel for personal purposes.
- ○ Two instances of Code of Ethics violations by employees in the purchasing and maintenance departments. These employees bypassed internal purchasing procedures, compromising the integrity of the procurement process.
- ○ Two instances of non-adherence to Group procedures regarding reporting communication between local business units and the headquarter, as well as the planning of maintenance activities.

- 4 claims were dismissed due to insufficient information to proceed with an investigation.
- 1 claim was not confirmed after investigation.
- 5 claims remain under analysis as of March 2024.

For all confirmed violations, disciplinary measures were proportionate to the seriousness of each case and complied with local legislation. No critical concerns have been raised through whistleblowing mechanisms, and consequently, none have been reported.

	2024
Total reports	15
Of which confirmed	5
Of which filled not confirmed and/or closed being generic	5
Of which on-going	5
Countries of provenance of the reports ascertained	Turkey, Malaysia, China
Matter alleged in the reports ascertained	Non-adherence to Group procedures
Outcome of cases investigated	Disciplinary actions, organizational changes, and operational improvements

During the 2024 Fiscal Year Cementir provided training to its at-risk own workers in terms of its policy. For those at-risk functions, the training is mandatory, but Cementir also made available voluntary training for other own workers. Details of its training during the year is as it follows in the below table.

	FUNCTIONS AT RISK					
	HEAD OF REGION/BU MANAGING DIRECTOR	GROUP CHIEF OFFICERS	SALES, MARKETING & BUSINESS DEVELOPMENT	SUPPLY CHAIN	OTHERS WC	BC
TRAINING COVERAGE	Y	Y	Y	Y		
TOTAL	17	8	175	147	279	75
TOTAL RECEIVING TRAINING	16	8	137	129	175	0
FREQUENCY	ANNUALLY	ANNUALLY	ANNUALLY	ANNUALLY	HIRING	-
Computer Based Training	Y	Y	Y	Y	Y	
TOPICS COVERED	-	-	-	-		
Definition of corruption	Y	Y	Y	Y	Y	
Policy	Y	Y	Y	Y	Y	
Procedures on suspiscion/detection	Y	Y	Y	Y	Y	

From 2020 the full training offered through Cementir Academy to Cementir Group's employees is extended to the members of the Board of Directors of Cementir Holding.

Metrics and targets

G1-4 Incidents of corruption or bribery

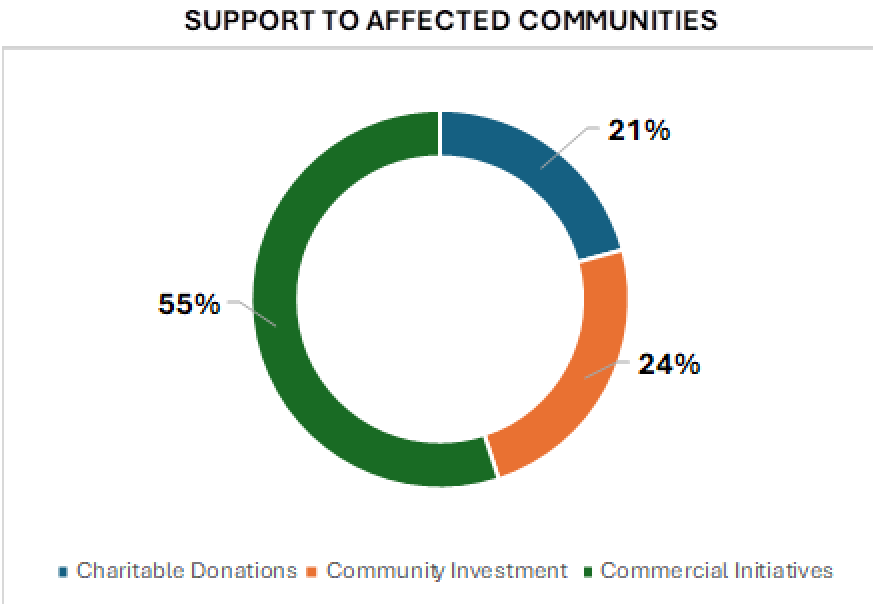
In 2024, Cementir did not face any convictions or fines for breaching anti-corruption or anti-bribery laws. Should any violations be discovered, the company is committed to taking appropriate corrective actions, which may include revising standards or procedures and enforcing disciplinary measures such as warnings or terminations.

Incidents of corruption or bribery				
	Unit of measure	2024	2023	2022
Convictions for violation of anti-corruption and anti- bribery laws	n	0	0	0
Fines for violation of anti-corruption and anti- bribery laws	€	0	0	0

Incidents of corruption or bribery				
	Unit of measure	2024	2023	2022
confirmed incidents of corruption or bribery	n	0	0	0
confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	n	0	0	0
confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	n	0	0	0

An administrative dispute is pending before the Court of Appeal in Türkiye, brought by the Turkish company Çimentaş AS, indirect subsidiary of Cementir Holding. The dispute relates to the order issued by the Turkish stock exchange's regulatory and supervisory body (the Capital Market Board - CMB), requiring Çimentaş AS to demand that the concerned Cementir Group companies pay back around 100 million Turkish lira (now equal to around 3 million euros) from hidden profit distribution, allegedly Izmir, requesting that the company be ordered to pay to Çimentaş AS an amount provisionally set at approximately 1 million Turkish lira. The Company duly appeared in court, arguing the total lack of foundation of the plaintiff's argument and requested that the civil proceedings be suspended until the administrative proceeding is finally settled. With a ruling of 1 July 2020, the Court of Appeal in Türkiye declared the lack of Turkish jurisdiction in relation to these proceedings. That judgment was overturned on 18 October 2021 by the Supreme Court, which definitively affirmed the existence of Turkish jurisdiction. In a judgment dated 6 September 2023, the Izmir Court ordered Cementir Holding to pay Cimentas approximately 1 million Turkish lira. Cementir Holding and CMB appealed the decision before the Court of Appeal. There is not any other significant litigation or significant instances of non-compliance pending.

The grants by type of initiative are explained in the following tables.



Category	Description
Charitable donations	Refers to one-off or occasional support to good causes in response to the needs and appeals of charitable and community organisations, requests from employees, or in reaction to external events such as emergency relief situations.
Community investments	Refers to long-term strategic involvement in, and partnership with, community organisations to address a range of social issues chosen by the Group (for example, periodical grants / donations to local schools).
Commercial initiatives	Refers to business-related activities in the community, usually undertaken by commercial departments to directly support the success of the company, promoting its corporate and brand identities and other policies, in partnership with charities and community-based organisations.

In **Türkiye**, cement companies and waste firms regularly donate food packages to local communities during Ramadan (a religious festivity), to renew their tangible efforts towards caring and assistance to the local population. Additionally, the cement companies provide free cement to support the needs of villages close to plant locations.

In 2024, **CCB - Compagnie des Ciments Belges** once again demonstrated its unwavering commitment to supporting and engaging with our local community. This year, the Company proudly opened its quarries to the public, bridging the gap between its internal and external stakeholders inviting everyone to explore the operations up close.

The flagship event, the ‘**Marche des carrières**,’ saw **record-breaking attendance in 2024, with over 3,800 participants** a remarkable 52% increase compared to 2023 with 2,500 participants. This annual event, organized in collaboration with the local school for children aged 3 to 12, offers various walking routes (5, 10, 14, and 20 km) through the plant, quarry, and the surrounding forest. Starting and ending at the CCB car park, this walk provides a unique opportunity for participants to learn about the Company and its commitment to biodiversity. Moreover, each year, CCB employees volunteer their time to ensure the success of this event. All volunteers are responsible to organize the walk and, during the day of the event, they remain at the plant to oversee safety providing insightful explanations about the operations, activities, and environmental initiatives.

CCB is proud of its ongoing efforts to foster a strong connection with the local community and looks forward to continuing this tradition in the years to come.

Aalborg Portland China, the Chinese subsidiary, demonstrates a strong commitment to the local community. Among the activities consistently performed, it's worth mentioning that during traditional holidays, some employees visit nursing homes to provide support and companionship to the residents.

Aalborg Portland Malaysia is strongly committed to supporting local schools and young people’s education.

In 2024, Aalborg Portland Malaysia continued to support the Employee Welfare Fund for youth education, established assistance for the families of deceased former company employees, condolences for the deaths of employees and immediate family members, and even provided shelter for dogs. Community activities include monthly contributions to the school for children with intellectual disabilities (Sekolah Semangat Maju, Batu Gajah Branch), donations to villagers for poor sponsorship for holiday meals, basic needs, and more. APMA has also extended commercial initiatives with the competent administrations, associations and client companies for donations and sponsorships.

Earthquake Relief Efforts

Following the devastating earthquake that struck 11 provinces in eastern Turkey on February 6, 2023, in addition to extensive relief efforts were carried out to support the local community, additional relief effort continued in 2024.

During 2024, a total of 2,6 million TL in donations were disbursed and specifically directed towards:

Çimentaş aimed to support the educational journey of students affected by the earthquake and receiving scholarships. As part of this initiative, Çimentaş fully covered the educational expenses of two high school students impacted by the disaster. (1.094KTL)

In an effort to support the region's recovery, Çimentaş collaborated with local neighbourhoods and the provincial government in Elazığ to promote youth participation in sports. This collaboration included providing sports equipment and sponsorship support. (350K TL)

In collaboration with the governorship in İzmir, provided meal support to families coming from earthquake region in the Ramadan period. (495KTL)

Household and furniture support to Çimentaş employee who lost his house in earthquake. (85K TL)

In collaboration with **Kontak Innovative Learning Centre**, "Disaster Preparedness" workshops were organized to increase the awareness of children. (500K TL). Donation to an NGO to cover housing rental expenses of an earthquake-affected family in the region. (80K TL)

Cimentas Education And Health Foundation

In Türkiye, through the Çimentaş Education and Health Foundation, established in 1986, the Company is committed to providing financial assistance and educational materials to families and schools. Since it was founded, the Foundation has sponsored over 500 scholarships for secondary school pupils and university students and has contributed to the renovation of various school buildings close to the plant in İzmir, Türkiye.

Over the years, in Türkiye, the Company's local Foundation implemented several educational projects such as the 'Işıkkent Educational Campus', 'Çimentaş Primary School' and 'Çimentaş High School'.

Visit the following link for further details: https://www.isikkent.k12.tr/en-US. and Çimentaş Eğitim ve Sağlık Vakfı – Çimentaş Eğitim ve Sağlık Vakfı (cesvak.org)

Collaboration with NGOs

- Throughout the year, we carried out various collaborations with **LÖSEV (Foundation for Children with Leukemia) (768K TL)** contributing to the future of children in need.
- **Marathon İzmir:** Çimentaş volunteer employees participated in the race to raise awareness and support the educational expenses of children battling cancer.

Sponsorships

To enhance our brand visibility, contribute to society, and support significant events in our industry, we have undertaken various sponsorship initiatives. Throughout the year, we allocated a total budget of **4.8 million TRY** for these efforts.

- **Çimentaş Elazığspor Naming Sponsorship:** Through a naming sponsorship agreement with Elazığspor, the club's name was changed to **"Çimentaş Elazığspor"**, strengthening our brand presence in the region and fostering strong ties with local communities. (**4M TRY**)
- **Supporting Youth Careers:** We provided support to the **uSELESScASE coding team** founded by students of Bornova Anadolu High School, contributing to their projects in engineering and technology. (**35K TRY**)
- **AIESEC Boost Your Career Event:** As a **Gold Sponsor**, we participated in this event in İzmir, aimed at helping young individuals shape their careers. This allowed us to directly interact with students. (**30K TRY**)
- **BetonArt Architecture Summer School:** We sponsored the summer school hosted by Süleyman Demirel University, enabling architecture and interior design students to explore the diverse applications of concrete. (**208K TRY**)
- **ESİAD 3rd Investment Summit:** As a **Gold Sponsor**, we took part in this summit that brings together the business and finance sectors. (**350K TRY**)
- **İzmir Italian Chamber of Commerce 30th Anniversary Gala:** By sponsoring this exclusive event that unites the **Italian and Turkish business communities**, we seized the opportunity to strengthen our international collaborations. (**190K TRY**)

Recovery Of Waste Heat From Cement Kilns In Aalborg:

Since 1990, Aalborg Portland has provided district heating to the Aalborg municipality. To produce cement, raw materials such as limestone and sand must be burned at temperatures of up to 1500°C.

Due to this high temperature process, the Aalborg Portland cement factory has massive reserves of excess heat.

One of the main sources of waste heat is the flue gas emitted from the white cement kilns. The solution to this energy loss was to implement a heat recovery system, in which the flue gasses from the five white kilns of the Aalborg plant are used in heat exchanger installations to transfer the thermal energy from the flue gas to Aalborg's district heating network.

The Aalborg plant recovers heat excess from cement production to provide district heating to the local inhabitants. The recovered thermal energy is used to heat the homes of 30,000 families maximum. In 2024, Aalborg Portland delivered approximately 356422 Mwh of energy to the Aalborg municipality.

The annual CO_2 savings from this heat recovery system have been estimated at 150,000 tons. The calculation is based on the amount of CO_2 that is not emitted from the local coal-fired power station because the total needs are partially covered by the heat coming from the Aalborg plant.

In this way, energy that has already been produced during cement production is recycled and delivered to the district heating system, so that the energy does not have to be produced twice.

White-Hub

White-Hub acts as an online community dedicated to Aalborg White® and InWhite® solutions, fostering connections between professionals in the building material and construction sectors. It stands out as the only global community focused on white cement, benefiting from Cementir's unique geographic presence in different regions.

In 2024, sustainability, innovation, and decarbonization are key themes woven throughout all our blog content. In the case studies of white concrete buildings completed in 2024, Aalborg White precast white concrete cladding has gained increasing popularity among globally renowned architects for landmark cultural architecture and high-end residential projects, especially those with LEED or similar certification requirements. Voice of Customer has been prioritized receiving positive feedback for the high value adding portfolio under the InWhite Solution®. InWhite application and project footprint has expanded from Europe to Australia and China. Cementir encourages collaboration with customers and stakeholders for content creation and sharing their perspectives, offering valuable insights and reference points for the low carbon transformation in the industry.

The informative content spans diverse topics such as innovative technologies and applications, sustainable practices, the voice of customers and innovative trends in the industry. The platform facilitates mutual communications, allowing industrial users to stay informed about our local and global news while contributing their own content, establishing an influential 'community of practice' centred around white cement and its value chain.

In line with our local approach, the blogs have been translated into local languages and distributed through our regional/local official media channels. The extensive reach has been further amplified through partnerships with industry associations' media outlets, acting as a pivotal connection for local customers and industries to understand the footprints, achievements and developments of the Cementir at a global level. This approach has won acclaim and recognition in the sector, consolidating the position of brand leader in the industry and customer loyalty.

E-Learning

The eLearning platform functions as a vital communication tool, intimately connecting Cementir with its customers and industrial users over the globe, offering value added services tied to our products. This digital platform provides a flexible and convenient solution without any constraints related to geography, timing or costs. Courses are carefully designed based on a customer-driven approach, featuring insightful and in-depth educational content. This includes demonstrations of new products, inspiring applications and case studies, and the achievements and outlooks of our business through collaboration with in-house experts, innovators and pioneering industrial users, successfully enhancing our brand credibility.

During 2022 the Employee Experience Team has been set, the aim was to involve and empower employees working within the Company.

It has been established in Türkiye with the purpose of involving employees in the decision-making process. Their involvement is aimed at increasing employees' engagement and motivation. The team, with the coordination of an HR member, is composed of approximately 20 employees from different departments that volunteered to join. The Employee Experience Team meets regularly on a monthly basis to discuss different *topics, from the proposal of activities to improve the well-being of employees, involvement in social responsibility projects that also affects the local community and the organization of employee meetings to stimulate discussion and meetings. The team aims to focus on the most important points that can positively impact employee engagement and motivation. They then submit these ideas to the management team that, if it finds them interesting, approves and implements them.*

Shown below are the number of women, recorded in 2024, at different levels of responsibility.

Regarding Internal Communication, it has been confirmed that the standard aspects defined at the Group level mainly concern:

- **Policies**
- **Procedures**
- **Organizational announcements**
- **Financial results**
- **Group rating results on sustainability topics**

In 2024, internal communication primarily focused on the following topics:

- Continuous updates on financial performance and business-related matters, including the year-end results presentation and the introduction of the 2024-2026 industrial plan.
- The launch of a Group-wide communication campaign for World Safety Day, supported by all local business units, aimed at promoting safety as a shared and daily value.
- A strong focus on sustainability topics, with regular sharing of key achievements (e.g., the Europe's Climate Leaders 2024 ranking, ESG Identity Corporate Index rating, etc.) and employee awareness initiatives through dedicated ESG training courses.
- The sharing of various Community Seminars organized by the technical, human resources, supply chain and sales departments to enhance business interactions, exchange local expertise and know-how, standardize reporting practices and processes.

The year 2024 concluded with the **Group Management Team Meeting** held in Rome, bringing together central and local Top Management as well as representatives from the technical and financial departments across all Regions.

A full day of panel discussions and in-depth sessions was dedicated to presenting and revisiting the key pillars of the Group's strategy, consolidating the proposal for the new Industrial Plan, and celebrating achievements in **Sustainability, Health & Safety, Process Improvement, and Innovation.**

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CONSOLIDATED FINANCIAL STATEMENTS 2024

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position

(EUR'000)	Note	31 December 2024	31 December 2023
ASSETS			
Intangible assets with a finite useful life	1	194,593	188,419
Intangible assets with an indefinite useful life (goodwill)	2	448,262	404,515
Property, plant and equipment	3	990,085	908,930
Investment property	4	116,815	87,585
Equity-accounted investments	5	10,136	6,529
Other equity investments	6	384	352
Non-current financial assets	9	529	125
Deferred tax assets	20	41,694	46,127
Other non-current assets	11	402	569
TOTAL NON-CURRENT ASSETS		**1,802,900**	**1,643,151**
Inventories	7	228,135	230,760
Trade receivables	8	181,786	164,931
Current financial assets	9	17,635	45,334
Current tax assets	10	13,280	5,326
Other current assets	11	26,385	20,301
Cash and cash equivalents	12	485,603	412,391
TOTAL CURRENT ASSETS		**952,824**	**879,043**
TOTAL ASSETS		**2,755,724**	**2,522,194**
EQUITY AND LIABILITIES			
Share capital		159,120	159,120
Share premium reserve		27,702	27,702
Other reserves		1,328,569	1,114,878
Profit (loss) attributable to the owners of the parent		201,640	201,364
Equity attributable to owners of the Parent	13	**1,717,031**	**1,503,064**
Reserves attributable to non-controlling interests		126,538	133,641
Profit (loss) attributable to non-controlling interests		12,815	14,128
Equity attributable to non-controlling interests	13	**139,353**	**147,769**
TOTAL EQUITY		**1,856,384**	**1,650,833**
LIABILITIES			
NON-CURRENT LIABILITIES			
Employee benefits	14	25,941	22,807
Non-current provisions	15	25,322	25,485
Non-current financial liabilities	17	159,427	161,083
Deferred tax liabilities	20	172,450	160,009
Other non-current liabilities	19	237	247
TOTAL NON-CURRENT LIABILITIES		**383,377**	**369,631**
Current provisions	15	4,776	3,809
Trade payables	16	362,108	320,054
Current financial liabilities	17	53,376	79,032
Current tax liabilities	18	24,066	24,010
Other current liabilities	19	71,637	74,825
TOTAL CURRENT LIABILITIES		**515,963**	**501,730**
TOTAL LIABILITIES		**899,340**	**871,361**
TOTAL EQUITY AND LIABILITIES		**2,755,724**	**2,522,194**

Consolidated income statement

(EUR'000)	Note	2024	2023
REVENUE	21	**1,686,943**	**1,694,247**
Change in work in progress and finished goods	7	(497)	11,671
Increase for internal work	22	921	1,085
Other income	22	26,528	30,544
TOTAL OPERATING REVENUE		**1,713,895**	**1,737,547**
Raw materials costs	23	(708,448)	(739,121)
Personnel costs	24	(215,192)	(203,125)
Other operating costs	25	(382,913)	(384,179)
EBITDA		**407,342**	**411,122**
Amortisation and depreciation	26	(142,437)	(130,302)
Additions to provision	26	(2,799)	(2,326)
Impairment losses	26	(84)	(165)
Total amortisation, depreciation, impairment losses and provisions		(145,320)	(132,793)
EBIT		**262,022**	**278,329**
Share of net profits of equity-accounted investees	27	1,154	772
Financial income	27	27,617	17,430
Financial expense	27	(22,460)	(17,473)
Exchange rate profits / (losses)	27	22,498	15,538
Net income/(expense) from hyperinflation	27	(5,939)	(3,886)
Net financial income (expense)	27	**21,716**	**11,609**
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES		**22,870**	**12,381**
PROFIT (LOSS) BEFORE TAXES		**284,892**	**290,710**
Income taxes	28	(70,437)	(75,218)
PROFIT FROM CONTINUING OPERATIONS		**214,455**	**215,492**
PROFIT (LOSS) FOR THE YEAR		**214,455**	**215,492**
Attributable to:			
Non-controlling interests		12,815	14,128
Owners of the Parent		**201,640**	**201,364**

(EUR)			
Earnings per ordinary share			
Basic earnings per share	29	1.297	1.295
Diluted earnings per share	29	1.297	1.295

(EUR)			
Earnings per ordinary share from continuing operations			
Basic earnings per share	29	1.297	1.295
Diluted earnings per share	29	1.297	1.295

Consolidated statement of comprehensive income

(EUR'000)	Note	2024	2023
PROFIT (LOSS) FOR THE YEAR		**214,455**	**215,492**
Other components of comprehensive income:			
Items that will never be reclassified to profit or loss for the year:			
Net actuarial gains (losses) on post-employment benefits	30	(2,634)	1,294
Taxes recognised in equity	30	642	(326)
Total items that will never be reclassified to profit or loss		**(1,992)**	**968**
Items that may be reclassified to profit or loss for the year:			
Foreign currency translation differences - foreign operations	30	(48,295)	(162,157)
Profit (losses) on derivatives	30	(9,716)	(3,381)
Taxes recognised in equity	30	(17)	735
Total items that may be reclassified to profit or loss		**(58,028)**	**(164,803)**
Total other comprehensive expense, net of tax		**(60,020)**	**(163,835)**
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR		**154,435**	**51,657**
Attributable to:			
Non-controlling interests		17,943	(423)
Owners of the Parent		**136,492**	**52,080**

Consolidated statement of changes in equity

(EUR'000)	Note	Share capital	Share premium reserve	Other reserves: Legal reserve	Other reserves: Translation reserve	Other reserves: Hedge reserve	Other reserves: Retained earnings	Profit (loss) attributable to the owners of the parent	**Equity attributable to the owners of the parent**	Profit (loss) attributable to non-controlling interests	Reserves attributable to non-controlling interests	**Equity attributable to non-controlling interests**	**Total Equity**
Equity at 1 January 2024	**13**	**159,120**	**27,701**	**-**	**(890,853)**	**7,558**	**1,998,174**	**201,364**	**1,503,064**	**14,128**	**133,641**	**147,769**	**1,650,833**
Allocation of 2023 profit (loss)		-	-	-	-	-	201,364	(201,364)	**-**	(14,128)	14,128	**-**	-
Distribution of 2023 dividends		-	-	-	-	-	(43,546)	-	**(43,546)**	-	(7,232)	**(7,232)**	**(50,778)**
Minority interests in the acquisition of a subsidiary		-	-	-	(36,013)	-	28,731	-	**(7,282)**	-	(22,718)	**(22,718)**	**(30,000)**
Total transactions with investors		**-**	**-**	**-**	**(36,013)**	**-**	**186,549**	**(201,364)**	**(50,828)**	**(14,128)**	**(15,822)**	**(29,950)**	**(80,778)**
Profit (loss) for the year		-	-	-	-	-	-	201,640	**201,640**	12,815	-	**12,815**	**214,455**
Change in translation reserve	30	-	-	-	(53,192)	-	-	-	**(53,192)**	-	4,897	**4,897**	**(48,295)**
Net actuarial gains	30	-	-	-	-	-	(2,223)	-	**(2,223)**	-	231	**231**	**(1,992)**
Loss on derivatives	30	-	-	-	-	(9,733)	-	-	**(9,733)**	-	-	**-**	**(9,733)**
Other comprehensive income (expense)		-	-	-	(53,192)	(9,733)	(2,223)	-	**(65,148)**	-	5,128	**5,128**	**(60,020)**
Total comprehensive income (expense)	30	-	-	-	**(53,192)**	**(9,733)**	**(2,223)**	**201,640**	**136,492**	**12,815**	**5,128**	**17,943**	**154,435**
Adjustment for hyperinflation in Türkiye		**-**	**-**	**-**	**-**	**-**	127,498	**-**	**127,498**	**-**	4,589	**4,589**	**132,087**
Change in other reserves		-	-	-	-	-	805	**-**	**805**	-	(998)	**(998)**	**(193)**
Total other transactions		**-**	**-**	**-**	**-**	**-**	**128,303**	**-**	**128,303**	**-**	**3,591**	**3,591**	**131,894**
Equity at 31 December 2024	**13**	**159,120**	**27,701**	**-**	**(980,058)**	**(2,175)**	**2,310,803**	**201,640**	**1,717,031**	**12,815**	**126,538**	**139,353**	**1,856,384**

(EUR'000)	Note	Share capital	Share premium reserve	Other reserves				Profit (loss) attributable to the owners of the parent	**Equity attributable to the owners of the parent**	Profit (loss) attributable to non-controlling interests	Reserves attributable to non-controlling interests	**Equity attributable to non-controlling interests**	**Total Equity**
				Legal reserve	Translation reserve	Hedge reserve	Retained earnings						
Equity at 1 January 2023	**13**	**159,120**	**27,701**	**-**	**(743,235)**	**10,200**	**1,752,111**	**162,286**	**1,368,183**	**19,271**	**135,319**	**154,590**	**1,522,773**
Allocation of 2022 profit		-	-	-	-	-	162,286	(162,286)	**-**	(19,271)	19,271	**-**	-
Distribution of 2022 dividends		-	-	-	-	-	(34,214)	-	**(34,214)**	-	(10,023)	**(10,023)**	**(44,237)**
Treasury share purchase		-	-	-	-	-	-	-	**-**	-	-	**-**	**-**
Total transactions with investors		**-**	**-**	**-**	**-**	**-**	**128,072**	**(162,286)**	**(34,214)**	**(19,271)**	**9,248**	**(10,023)**	**(44,237)**
Profit (loss) for the year		-	-	-	-	-	-	201,364	**201,364**	14,128	-	**14,128**	**215,492**
Change in translation reserve	30	-	-	-	(147,618)	-	-	-	**(147,618)**	-	(14,539)	**(14,539)**	**(162,157)**
Net actuarial gains	30	-	-	-	-	-	970	-	**970**	-	(2)	**(2)**	**968**
Loss on derivatives	30	-	-	-	-	(2,642)	-	-	**(2,642)**	-	(4)	**(4)**	**(2,646)**
Other comprehensive income (expense)		-	-	-	(147,618)	(2,642)	970	-	**(149,290)**	-	(14,545)	**(14,545)**	**(163,835)**
Total comprehensive income (expense)	30	**-**	**-**	**-**	**(147,618)**	**(2,642)**	**970**	**201,364**	**52,074**	**14,128**	**(14,545)**	**(417)**	**51,657**
Adjustment for hyperinflation in Türkiye		**-**	**-**	**-**	**-**	**-**	115,420	**-**	**115,420**	**-**	3,183	**3,183**	**118,603**
Change in other reserves		-	-	-	-	-	1,601	**-**	**1,601**	-	436	**436**	**2,037**
Total other transactions		**-**	**-**	**-**	**-**	**-**	**117,021**	**-**	**117,021**	**-**	**3,619**	**3,619**	**120,640**
Equity at 31 December 2023	**13**	**159,120**	**27,701**	**-**	**(890,853)**	**7,558**	**1,998,174**	**201,364**	**1,503,064**	**14,128**	**133,641**	**147,769**	**1,650,833**

Consolidated statement of cash flows

(EUR'000)	Note	31 December 2024	31 December 2023
Profit/(loss) for the year		**214,455**	**215,492**
Amortisation and depreciation	26	142,437	130,302
Net Reversals of impairment losses		(11,281)	(7,505)
Share of net profits of equity-accounted investees	27	(1,154)	(772)
Net financial income (expense)	27	(6,813)	(16,252)
Gains on disposals		(184)	(11,343)
Income taxes	28	70,437	75,218
Change in employee benefits		594	(823)
Change in provisions (current and non-current)		1,372	(2,738)
Operating cash flows before changes in working capital		**409,863**	**381,579**
(Increase) decrease in inventories		96	(28,544)
(Increase) decrease in trade receivables		(22,557)	8,758
Increase (decrease) in trade payables		42,010	(12,282)
Change in other non-current and current assets and liabilities		(586)	14,268
Change in current and deferred taxes		(13,699)	4,383
Operating cash flows		**415,127**	**368,162**
Dividends collected		588	114
Interest collected		17,700	11,023
Interest paid		(11,761)	(12,850)
Other net income (expense) collected (paid)		(12,639)	(4,784)
Income taxes paid		(65,115)	(61,280)
CASH FLOWS FROM OPERATING ACTIVITIES (A)		**343,900**	**300,385**
Investments in intangible assets		(12,404)	(10,681)
Investments in property, plant and equipment		(115,238)	(95,890)
Acquisitions, net of cash and cash equivalents acquired		(17,964)	(5,908)
Proceeds from the sale of intangible assets		-	595
Proceeds from the sale of property, plant and equipment		2,706	15,545
Proceeds from the sale of equity investments and non-current securities		-	3,527
Change in non-current financial assets		(404)	719
Change in current financial assets		33,984	337
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B)		**(109,320)**	**(91,756)**
Change in non-current financial liabilities	17	(2,714)	(42,364)
Change in current financial liabilities	17	(73,267)	(59,094)
Dividends distributed		(58,215)	(37,548)
Other changes in equity	13	(30,000)	-
CASH FLOWS USED IN FINANCING ACTIVITIES (C)		**(164,196)**	**(139,006)**
NET EXCHANGE RATE PROFIT (LOSSES) ON CASH AND CASH EQUIVALENTS (D)		**2,828**	**(12,987)**
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**73,212**	**56,633**
Opening cash and cash equivalents	**12**	**412,391**	**355,759**
Closing cash and cash equivalents	**12**	**485,603**	**412,391**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General information

On 28 June 2019, the Extraordinary Shareholders' Meeting approved the transformation of the Company Cementir Holding SpA from a joint-stock company under Italian law into a Naamloze Vennootschap under Dutch law, consequent to the transfer of the registered office to Amsterdam, Netherlands (36, Zuidplein, 1077 XV. The transfer and transformation process was completed on 5 October 2019.

On that date the Board of Directors resolved to establish an operational and secondary headquarters in Rome, at 200 Corso Francia. The company's tax residence remained in Italy. As part of this transformation, Management aligned the equity composition from the Italian Law requirements with the Dutch Civil Code requirements.

The Company remained listed on the STAR segment of the Milan Stock Exchange.

Cementir Holding NV (the "Parent") and its subsidiaries make up the Cementir Holding Group (the "Group"), mainly active in the cement and ready-mixed concrete sector in Italy and around the world.

As of 31 December 2024, shareholders holding shares exceeding 3% of share capital, as indicated in the book of shareholders, from communications received pursuant to Art. 5:28 of Financial Supervision Act and other information available, are:

1) Francesco Gaetano Caltagirone – 106,217,754 shares (66.753%). The shareholding is held as follows:
    - Direct ownership of 1,327,560 shares (0.834%)
    - Indirect ownership through the companies:
        - Calt 2004 Srl – 49,168,424 shares (30.900%)
        - Caltagirone SpA – 22,800,000 shares (14.329%)
        - FGC SpA – 17,600,000 shares (11.061%)
        - Azufin Spa – 10,720,000 shares (6.737%)
        - Capitolium Srl – 2,600,000 shares (1.634%)
        - SO.CO.GE.IM Spa – 1,500,000 shares (0.943%)
        - Compagnia Gestioni Immobiliare Srl - 500,000 shares (0.314%)
        - Vianini Lavori SpA - 1,770 shares (0.001%)
2) Francesco Caltagirone – 8,775,299 shares (5.515%). The above investment is held indirectly through the company Chupas 2007 Srl for 8,775,299 shares (5.515%).

On 11 March 2025, the Company's Board of Directors approved these consolidated financial statements as of 31 December 2024 and authorised their publication on 11 March 2025.

Cementir Holding N.V. is included line-by-line in the consolidated financial statements of the direct parent company Caltagirone SpA, available on the website of Caltagirone Group. At the date of preparation of these consolidated financial statements, the ultimate Parent is FGC SpA due to the shares held via its subsidiaries.

The consolidated financial statements as of 31 December 2024 include the financial statements of the Parent and its subsidiaries. The financial statements of the individual companies at the same date prepared by their directors were used for the consolidation, in accordance with uniform accounting policies.

Going Concern

The financial statements of the Group have been prepared based on the going concern assumption. The Group has sufficient reserves to meet its obligations and will be able to operate for a period of at least 12 months from the date of preparation of the financial statements. The assessment carried out by the Board of Directors considered the Group's main activities and risks, together with factors that may affect the Group's future performance, such as climate change and environmental requirements, financial position, expected cash flows, liquidity position and financing facilities. Based on the above-mentioned assumptions, the Directors have reasonable expectations that the Group will continue to operate as a going concern.

Climate Change

The cement industry's ability to reduce its CO2 emissions and respond to climate change has become a focus for investors. In 2021, the Cementir Group launched a project to implement the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosure) by committing to being transparent on the risks and opportunities related to climate change. Cementir is also committed to ensuring the transparency of its climate-related risks and opportunities in line with the EU Taxonomy. The identification, assessment and effective management of risks and opportunities related to climate change are fully integrated into the Group's risk management process.

As suggested by the TCFD, the Group monitors the risks and opportunities arising from the evolution of transition scenarios and the evolution of physical variables. For further details on the scenarios used, please see the description in the section “Environmental information – E1 Climate change”.

Physical variables are divided into two risk categories:

A. Acute: linked to the occurrence of extreme weather conditions such as cyclones, hurricanes or floods. Acute physical phenomena, in the various cases, are characterised by a notable intensity and a frequency of occurrence which is not high in the short term, but which, considering long-term scenarios, sees a clear increasing trend;
B. Chronic: refers to gradual and long-term changes in climate patterns (e.g., sustained high temperatures) that can cause sea-level rises or chronic heat waves.

Regarding to the energy transition process, towards a progressive reduction of carbon emissions, there are risks and opportunities linked to changes in the regulatory, technological, market and reputational context.

The Group has decided to align itself with the TCFD framework to clearly represent the types of risks and opportunities indicating how each of them must be managed. The effects were assessed over three time horizons: the short term (1-3 years), linked to the implementation of the Business Plan; the medium term until 2030 during which it will be possible to see the effects of the energy transition; the long term up to 2050 during which the Group is committed to achieving net-zero emissions along its entire value chain. As the TCFD states, the process of disclosing risks and opportunities related to climate change will be gradual and incremental from year to year.

For further details on the impact of climate change on company estimates and valuations, please see the section “Metrics and targets”.

It should also be noted that the analysis carried out did not reveal any uncertainty factors that could lead to significant adjustments to the company's estimates in the short/medium term.

Statement of compliance with the IFRS

These consolidated financial statements as of 31 December 2024 have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU-IFRSs) and with Section 2:362(9) of the Dutch Civil Code.

Certain parts of this annual report contain alternative indicators that are not financial performance or liquidity indicators under IFRS. These are commonly referred to as alternative (non-IFRS) performance indicators and include items such as earnings before interest, taxes, depreciation and amortisation (EBITDA) and earnings before income tax (EBIT). The Company calculates EBITDA before provisions.

Basis of presentation

The consolidated financial statements as of 31 December 2024 are presented in euros, the Parent's functional currency. All amounts are expressed in thousands of euros, unless indicated otherwise. The consolidated financial statements consist of a statement of financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and these notes. The Group has opted to present these statements as follows:

- the statement of financial position presents current and non-current assets and liabilities separately;
- the income statement classifies costs by nature;
- the statement of comprehensive income presents the effect of gains and losses recognised directly in equity, starting from the profit or loss for the year;
- the statement of cash flows is presented using the indirect method.

The general criterion adopted is the historical cost method, except for items recognised and measured at fair value based on specific EU-IFRS, as described below in the section on accounting policies.

The Accounting Standards have been applied consistently with the guidance provided in the "Framework for the preparation and presentation of financial statements". The Group was not required to make any departures as per IAS 1.19.

In the financial statements, in addition to those specifically requested by IAS 1 and the other standards, when material, to show transactions with related parties separately or, in the case of the income statement, profits and losses on non-recurring or unusual transactions.

The Parent Cementir Holding N.V. has also prepared its company financial statements as of 31 December 2024 in accordance with EU-IFRS and with Section 2:362(9) of Dutch Civil Code, as defined above.

TÜRKIYE - hyperinflated economy: impacts of the application of IAS 29

As of April 2022, the Turkish economy is considered hyperinflationary according to the criteria set out in "IAS 29-Financial Reporting in Hyperinflationary Economies". For the purpose of preparing these Consolidated Financial Statements and in accordance with IAS 29, certain non-monetary items in the balance sheets of the investee companies in Türkiye and the income statement items have been remeasured by applying the general consumer price index to historical data, in order to reflect the changes in the purchasing power of the Turkish Lira at the balance sheet date of these companies.

Bearing in mind that the Cementir Group acquired control of the Turkish companies in September 2001, and that they applied hyperinflation until 31 December 2004, the re-measurement of the non-monetary balance sheet data of these companies' financial statements was carried out by applying inflation indices from that date.

The cumulative levels of the general consumer price indices are as follows:

- From 1 January 2005 to 31 December 2023: 1,533%
- From 1 January 2024 to 31 December 2024: 44%

The accounting effects of this adjustment, in addition to already being reflected in the opening balance sheet as of 1 January 2024, incorporate the changes for the period. In particular, the effect related to the re-measurement of non-monetary assets and liabilities, equity items, and income statement items recognised in 2024 was recognised in a separate income statement item under financial income and expenses. The related tax effect of non-monetary assets and liabilities was recognised in income taxes line for the period.

To take into account the impact of hyperinflation also on the local currency exchange rate, profit and loss account balances expressed in hyperinflationary currencies have been converted into euro, the Cementir Group's presentation currency, applying the exchange rate at the end of the period instead of the average exchange rate for the period, in line with IAS 21's requirement to report these amounts at current values.

In 2024, the application of IAS 29 resulted in the recognition of a net financial charge (pre-tax) of EUR 5.9 million.

The impact of hyperinflation in 2024, which includes the valuation of non-industrial real estate in Türkiye in the amount of approximately EUR 15.5 million (EUR 7.7 million in 2023), is reported below:

(EUR'000)	Cumulative IAS 29*	Cumulative IAS 21**	Total Effect
REVENUE FROM SALES AND SERVICES	**48,612**	**(10,508)**	**38,104**
Change in inventories	(4,153)	(0,044)	(4,197)
Increase for internal work and other income	14,294	1,627	15,921
TOTAL OPERATING REVENUE	**58,753**	**(8,925)**	**49,828**
Raw materials costs	(36,558)	5,919	(30,639)
Personnel costs	(4,302)	0,878	(3,424)
Other operating costs	(9,544)	1,865	(7,679)
TOTAL OPERATING COSTS	**(50,404)**	**8,662**	**(41,742)**
EBITDA	**8,349**	**(0,263)**	**8,086**
Amortisation, depreciation, impairment losses and provisions	(13,054)	0,303	(12,751)
EBIT	**(4,705)**	**0,040**	**(4,665)**
Net financial income (expense)	(5,606)	(0,166)	(5,772)
NET FINANCIAL INCOME (EXPENSE)	**(5,606)**	**(0,166)**	**(5,772)**
PROFIT BEFORE TAXES	**(10,311)**	**(0,126)**	**(10,437)**
Income taxes	(15,017)	3,384	(11,633)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**(25,328)**	**3,258**	**(22,070)**
PROFIT (LOSS) FOR THE PERIOD	**(25,328)**	**3,258**	**(22,070)**
Attributable to: Non-controlling interests	538	(402)	136
Owners of the Parent	**(25,866)**	**3,660**	**(22,206)**

* The data in this column represent the effects of the application of IAS 29 on the 2024 consolidated income statement;

** The data in this column represent the difference between the application of final exchange rates, as required by IAS 21 for the hyperinflationary economy, and the average exchange rate for the period.

Standards and amendments to standards adopted by the Group

a) The following list illustrates the new accounting standards and interpretations approved by the IASB, adopted by the European Union and in force starting from 1 January 2024:

- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (published 22 September 2022);
- Amendments to IAS 1 Presentation of Financial Statements:
  - Classification of Liabilities as Current or Non-current Date (published on 23 January 2020);
  - Classification of Liabilities as Current or Non-current - Deferral of Effective Date (published on 15 July 2020); and
  - Non-current Liabilities with Covenants (published 31 October 2022)
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (published 25 May 2023).

It should be noted that the adoption of these changes did not have significant impacts on the Consolidated Financial Statements.

b) Accounting standards not yet applicable, as they have not been adopted by the European Union.

At the date of approval of the Consolidated Financial Statements, the following accounting standards and amendments have not yet been adopted by the European Union:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

c) Accounting standards adopted by the European Union, but not yet applicable

At the date of approval of the Consolidated Financial Statements, the competent bodies of the European Union have adopted the following principles and amendments, but they have not yet been adopted by the Group:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (published on May 30, 2024). The amendments are effective for financial years starting on or after 1 January 2026.
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (published 15 August 2023). The amendments are effective for financial years starting on or after 1 January 2025.

It should be noted that the Group is evaluating the effects that the application of the aforementioned principles could have on its Consolidated Financial Statements.

Basis of consolidation

Consolidation scope

A list of the companies included in the scope of consolidation at 31 December 2024 is provided in annex 1.

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill (component of the purchase price in excess of the sum of the market values of the assets acquired and liabilities assumed in a business combination) that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationship. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Transactions between companies under common control and with owners

For transactions under common control, the Group applies the book value method of accounting.
Under the book value method of accounting, such transactions are recognised on the basis of the economic substance of the operation, i.e. a significant influence on the future cash flows of the net assets transferred for the entities concerned. Where the transaction is with owners, the difference between the transfer value and the carrying amounts of the transferred business is a transaction to be recognised, depending on the circumstances, as a contribution or distribution of equity of the entities involved in the transaction.

Subsidiaries

The scope of consolidation includes the Parent, Cementir Holding NV, and the companies over which it has direct or indirect control. Subsidiaries subject to direct or indirect control include companies for which the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence of potential voting rights is considered when determining whether control exists.

Subsidiaries are consolidated from the date on which control is obtained until when control ceases to exist. The financial statements used for consolidation purposes have a reporting date of 31 December, i.e., the same as that of the consolidated financial statements. They are usually prepared specifically for the purpose and approved by the directors of the individual companies and adjusted, when necessary, to comply with the Parent's accounting policies.

Consolidation criteria

Subsidiaries are consolidated line-by-line. The criteria adopted for line-by-line consolidation are as follows:

- assets, liabilities, expense and income are consolidated line-by-line, attributing to non-controlling interests (when they exist) their share of equity and profit (loss) for the year; which is presented separately under equity and in the consolidated statement of comprehensive income;
- business combinations where the Parent acquires control of an entity are recognised using the acquisition method. The consideration transferred is given by the fair value of the transferred assets, the liabilities assumed and equity instruments issued as at the acquisition date. The acquired assets, liabilities and contingent liabilities are recognised at fair value as at the date of acquisition. The difference between the purchase cost and the fair value of the acquired assets and liabilities is recognised as goodwill, if positive, or directly as income in the income statement, if negative;
- intragroup transactions and balances, including any unrealised profits with third parties arising on transactions with group companies, are eliminated, net of the related tax effect, if material. Unrealised losses are not eliminated if the transaction provides evidence of an impairment of the transferred asset;
- gains or losses on the sale of investments in consolidated companies are recognised in equity attributable to the owners of the Parent as owner transactions for the difference between the sales price and the related share of equity sold. If the sale leads to the loss of control and, therefore, the exclusion of the investee from the scope of consolidation, the difference between the sales price and the related share of equity is recognised as a gain or loss in the income statement.

Interests in joint arrangements

A joint arrangement is an agreement whereby two or more parties contractually have joint control of an "arrangement", i.e. when decisions about the relevant activities require the unanimous consent of the parties sharing control.

As regards the method of measurement and recognition in the financial statements, IFRS 11 sets out different approaches for:

- Joint Operations (JO): a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

- Joint Ventures (JV): a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The formulation of IFRS 11 as regards the distinction between JO and JV therefore depends upon the rights and obligations of the co-venturer in the joint arrangement, i.e. the substance of the arrangement and not its legal form.

As regards the presentation in the consolidated financial statements of JVs, IFRS 11 only requires then to be measured using the equity method, as described below.

As regards JOs, since the parties to the arrangement share the rights to the assets and assume the obligations for liabilities connected to the agreement, IFRS 11 requires each joint operator to recognise the pro-rata value of its share of the assets, liabilities, revenues and expense of the JO.

Associates

Associates are entities over which the Group has significant influence, which is assumed to exist when the investment is between 20% and 50% of the voting rights.

Investments in associates are measured using the equity method and are initially recognised at cost.

The equity method may be described as follows:

- the carrying amount of the investments equals the Group's share of the investees' equity and includes the recognition of any greater value attributable to the assets and liabilities and any goodwill identified at the acquisition date;
- the Group's share of profits or losses is recognised from the date that significant influence, or joint control, commences and until such significant influence or joint control ceases to exist. If an equity-accounted investee has a deficit due to losses, the carrying amount of the investment is cancelled and any remainder attributed to the Group, where the Group has a constructive or legal obligation to cover such losses, is recognised in a specific provision. Changes in the equity of the equity-accounted investee not related to its profit or loss for the year are offset directly against reserves;
- unrealised significant gains and losses on transactions between the Parent/subsidiaries and equity-accounted investees are eliminated to the extent of the Group's investment therein; unrealised losses are eliminated, unless they represent an impairment loss. Unrealised losses are eliminated, except to the extent that they represent impairment.

Relevant accounting policies

Intangible assets

Intangible assets are identifiable, non-monetary assets without physical substance. They are a resource, controlled by an entity, from which future economic benefits are expected to flow. They are recognised at cost, including any directly related costs necessary for the asset to be available for use.

Upon initial recognition, the Group determines the asset's useful life. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate cash inflows for the Group. Useful life is reviewed annually and any changes, if necessary, are applied prospectively.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and the gain or loss (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the income statement in the year of its derecognition.

Intangible assets with a finite useful life are recognised net of accumulated amortisation and any impairment losses determined using the methods set out below. Amortisation begins when the asset is available for use and is allocated systematically over its residual useful life. Amortisation is determined in the period in which the intangible asset becomes available for use when it actually becomes available for use.

The estimated useful life of the main items of intangible assets with a finite useful life is reported below:

	Useful life intangible assets finite useful life
Development expenditure	5 years
Concessions, licences and trademarks	4-18-30 years
Other intangible assets, of which:	5-22 years
- Customer list	15-20 years
- Contracts for the exclusive exploitation of quarries	30 years

Intangible assets with an indefinite useful life (goodwill)

In the case of an acquisition of a subsidiary, the acquired identifiable assets, liabilities assumed and contingent liabilities are recognised at their fair value as at the date of acquisition. Any positive difference between the consideration transferred and the Group's share of fair value of these assets and liabilities is recognised as goodwill under intangible assets; goodwill is allocated to the CGU related to the acquisition. Any negative difference (negative goodwill) is recognised in the income statement at the acquisition date. Goodwill is not amortised after initial recognition but is tested for impairment annually or more frequently whenever there is an indication that it may be impaired. Impairment losses on goodwill are not reversed.

Emission rights

In relation to atmospheric emission rights (or CO_2), it should be noted that the accounting treatment of atmospheric emission rights (CO_2) is not expressly governed by IFRS Accounting Standards. With reference to emission rights, the initial accounting among intangible assets takes place at the cost incurred (zero for the assigned free quotas), not amortised as it is believed that the residual value is at least equal to the carrying amount. At the end of each period if production requires greater availability of CO_2 quotas than those assigned free of charge, the Group records a liability for an amount equal to the market value (fair value) relating to the number of shares that must subsequently be acquired on the market. In the event that these quotas have already been purchased by the company at the balance sheet date, the liability is valued using the weighted average cost and classified among "Other liabilities". The costs incurred to comply with the regulations on emissions rights (or CO_2) into the atmosphere are considered part of the production costs and consequently accounted for as raw material costs.

Property, plant and equipment

Property, plant and equipment are recognised at their acquisition or construction cost, including directly attributable costs required to make the asset ready for the use for which it was purchased, increased by the present value of the estimated cost of dismantlement or removal of the asset, if the Group has an obligation in this sense.

Borrowing costs directly attributable to the acquisition, construction or production of an asset are capitalised as part of the asset's cost until the asset is ready for its intended use or sale.

Ordinary and/or regular maintenance and repair costs are expensed when incurred. Costs to extend, upgrade or improve group-owned assets or assets owned by third parties are capitalised only when they meet the requirements for their separate classification as assets or a part of an asset, using the component approach.

Property, plant and equipment are recognised net of accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis over the asset's estimated useful life, which is reviewed annually. Any necessary changes to its useful life are applied prospectively. Quarries are depreciated considering the quantities extracted in the period compared to the quantity extractable over the quarry's useful life (extracted/extractable criterion). When the Group has a specific commitment to do so, it recognises a provision for site restoration costs.

The estimated useful life of the main items of property, plant and equipment is reported below:

	Useful life of property, plant and equipment
Quarries	Extracted/extractable
Production plants	10-20 years
Other plants (not production):	
- Industrial buildings	18-20 years
- Light construction	10 years
- Generic or specific plant	8 years
- Sundry equipment	4 years
- Transport vehicles	5 years
- Office machines and equipment	5 years

The above time brackets, which show the minimum and maximum number of years, reflect the existence of components with different useful lives in the same asset category.

Land, whether free of construction or part of civil or industrial buildings, is not depreciated as it has an indefinite useful life.

If the asset to be depreciated consists of separate identifiable components with different useful lives, they are depreciated separately using the component approach. Property, plant and equipment are derecognised at the time of sale or when no future economic benefits are expected from their use.

At the time of sale or when there are no future economic benefits expected from use, the tangible asset is eliminated from the balance sheet. Any profit or loss (calculated as the difference between the transfer value and the related net book value) is recognised in the income statement in the year of the aforementioned elimination.

Leases

Identifying a lease

The company checks whether a contract contains a lease at the inception date (the earlier of the date of the lease agreement and the date of commitment by the parties to the terms of the contract) and subsequently each time the terms and conditions of the contract are changed. A contract is, or represents, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract contains or represents a lease, the company:

- assesses whether it has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- verifies whether the contract refers to the use of a specified asset, explicitly or implicitly, physically distinct or representing substantially all the capacity of a physically distinct asset. If the supplier has the substantive substitution right, the asset is not identified;
- verifies whether it has the right to direct the use of the asset. The company maintains that it has this right when it has the rights to make the most significant decisions to change the method and purpose of using the asset.

For contracts containing more than one lease and non-lease component and therefore falling under other accounting standards, the individual components to which the respective accounting standards apply must be separated out.

The lease term begins when the lessor makes the asset available to the lessee (commencement date) and is determined by reference to the non-cancellable period of the contract, i.e. the period during which the parties have legally enforceable rights and obligations, also including rent-free periods. The term can be extended by:

- the periods covered by an option to renew the contract ("renewal option"), when the company is reasonably certain that it will exercise that option;
- the periods after the date of termination ("termination option"), when the company is reasonably certain that it will not exercise that option.

Termination options held only by the lessor are not considered.

The reasonable certainty of whether or not to exercise an option to extend or terminate the contract is verified by the company on the commencement date, considering all the facts and circumstances that give rise to an economic incentive to exercise or not to exercise the option, and is subsequently reviewed whenever significant events occur or changes in circumstances that could affect the decision, which are under the control of the company.

Lease accounting

At the effective date of the lease, the company recognises the right of use (RoU) asset and the lease liability.

The right of use asset is initially measured at cost, including the amount of the initial measurement of the lease liability, adjusted for lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee for the dismantlement and removal of the underlying asset or restoring the underlying asset or the site where it is located, net of any lease incentives received.

The lease liability is measured at the present value of the lease payments that are not paid at that date. For discounting purposes, the company uses the implicit interest rate of the lease when possible – and if it can be inferred from the contract – or alternatively the incremental borrowing rate (IBR). The lease payments included in the measurement of the liability include fixed payments, variable payments that depend on an index or rate, amounts expected to be paid as a residual value guarantee, the exercise price of a purchase option (which the company has reasonable certainty that it will exercise), payments due during an optional renewal period (if the company is reasonably certain that it will exercise the renewal option) and penalties for early termination (unless the company is reasonably certain that it will not terminate the lease early).

Subsequently, the right of use asset is amortised on a straight-line basis over the entire term of the contract, unless the contract provides for the transfer of ownership at the end of the lease term or the cost of the lease reflects the fact that the lessee will exercise the purchase option. In the latter case, the amortisation period must be the shorter of the useful life of the asset and the term of the contract. The estimated useful lives of right of use assets are calculated according to the same approach applied to the associated asset. In addition, the value of the right of use asset is reduced by any impairment losses and adjusted to reflect the re-measurement of the lease liability.

Subsequent to initial measurement at the commencement date, lease liabilities are measured at amortised cost using the effective interest criterion and is remeasured in the event of a change in future lease payments deriving from a change in the index or rate, in the event of a change in the amount that the company expects to pay as a residual value guarantee or when the company changes its measurement as a result of the exercise or non-exercise of a purchase, extension or termination option. When the lease liability is remeasured, the lessee makes a corresponding change to the right of use asset. If the carrying amount of the right of use asset is reduced to zero, the change is recognised in profit/(loss) for the period.

In the statement of financial position, the company recognises right of use assets under assets, within the same line item as that within which the corresponding assets would be presented if they were owned; and lease liabilities are recognised under financial liabilities. In the income statement, interest expense on lease liabilities is a component of financial expenses and shown separately from the amortisation of right of use assets. Depreciation of right-of-use assets is presented in the depreciation item of the income statement.

Cash outflows relating to leasing payments are presented in the “Cash flow from financing activities” section of the Consolidated Cash Flow Statement.

Subleases

As regards subleases, the company, as intermediate lessor, classifies its share of the head lease separately from the sublease. To this end it classifies the sublease by reference to the right of use asset arising from the head lease, rather than by reference to the underlying asset. If the head lease is a short-term lease that the company has accounted for applying the exemption allowed for by the standard and discussed below, the sublease is classified as an operating lease. In the presence of subleases, the head lease is never considered to be of low value.

Investment property

Investment property is initially measured at cost and subsequently at fair value; changes in value are recognised in the income statement under other income or other operating costs, respectively. The investment property held to earn rentals or for capital appreciation is not depreciated.

Fair value is calculated on the basis of the following methods, depending on the type of investment:

- market value approach based on an analysis of a sample of recent sales of similar properties located in the nearby area. The resulting amount is then adjusted to account for the particular features of the building or land (level 2);
- projection of discounted cash flows based on reliable estimates of future cash flows supported by payments under lease and/or other existing contracts (level 3).

Impairment losses

At each reporting date, the Group assesses whether events or changes in circumstances exist suggesting that the carrying amount of intangible assets or property, plant and equipment may not be recovered. If any such indication exists, the Group determines the asset's recoverable amount. If the carrying amount exceeds the recoverable amount, the asset is impaired and written down to reflect its recoverable amount. The recoverable amount of goodwill and other intangible assets with an indefinite life is estimated at each reporting date or whenever changes in circumstances or specific events make it necessary.

The recoverable amount of property, plant and equipment and intangible assets is the higher of their fair value less costs to sell and their value in use, which is the present value of the future cash flows expected to be derived from an asset or a cash-generating unit to which the asset belongs, in the case of assets that do not independently generate largely separate cash flows.

When defining value in use, the future cash flows are discounted using a pre-tax rate that reflects the current market estimate of the time value of money and specific risks of the asset.

Impairment losses are recognised in the income statement when the carrying amount of the asset or related cash-generating unit (CGU) to which it is allocated is higher than its recoverable amount. Impairment losses on CGUs are firstly used to decrease the carrying amount of any goodwill allocated thereto and subsequently the other assets, in proportion to their carrying amounts. When the reason for an impairment loss on property, plant and equipment and intangible assets other than goodwill no longer exists, the carrying amount of the asset is increased through profit or loss to the carrying amount the asset would have had, had the impairment loss not been recognised and depreciation/amortisation charged.

If the impairment loss is higher than the carrying amount of the tested asset allocated to the CGU to which it belongs, the remaining amount is allocated to the assets included in the CGU in proportion to their carrying amounts. This allocation has as a minimum limit the higher amount of:

- the fair value of the asset, net of costs to sell;
- the value in use, as defined above;
- zero.

Impairment losses are recognised in the income statement under amortisation, depreciation and impairment losses.

Inventories

Raw materials, semi-finished products and finished goods are recognised at cost and measured at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and includes any ancillary costs. In order to determine net realisable value, the carrying amount of any obsolete or slow-moving inventories is written down to reflect their future utilisation/net realisation by recognising an allowance for inventory write-down.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification and measurement

The classification provided for by IFRS 9 is based on the business model for the management of financial assets and on the contractual conditions of cash flows. Financial assets are classified into three main categories: at amortised cost, at the fair value recognised in the other components of the comprehensive income statement (FVOCI) and at the fair value recognised in the profit/(loss) for the year (FVTPL).

Financial assets relating to commodity swaps are always recognised at fair value.

If the instrument is held for trading purposes, the changes in fair value must be recognised in the income statement. Whereas, for all the other investments, the company can decide, at the initial recognition date, to subsequently recognise all changes to fair value in the other components of the comprehensive income statement (OCI), exercising the FVTOCI option. In that case, amounts accumulated in the OCI will never be attributed to profit/(loss) for the year even if the investment is removed from accounts. Application of the “FVTOCI” option is irrevocable and reclassifications between the three categories are not permitted.

However, as regards the classification of financial assets, it is necessary to consider two elements:

1. the business model adopted by the company. Specifically, it:

- *Held to Collect* (HTC), model aimed at owning the financial assets to collect contractual flows;
- Held To Collect and Sale (HTC&S), model aimed at both collecting contractual flows resulting from the financial assets and to sell the financial asset itself;
- other different business models to the two previous ones.

2. the characteristics of the contractual cash flow coming from the financial instrument. More specifically, checking whether those contractual cash flows are solely represented by payment of capital and interest or include other components. This control is called SPPI Test (Solely Payment of Principal and Interest Test).

A financial asset represented by a certificate of indebtedness can be classified in the following categories:

1) Amortised cost when:

a. the instruments’ contractual cash flows are solely represented by payment of capital and interest (SPPI Test passed); and

b. the business model adopted by the company foresees that the latter only holds the financial asset to collect the contractual cash flows (HTC business model).

In this category, financial instruments are initially recognised at fair value, including operating costs, and are then valued at amortised cost. Interest (calculated using the effective interest criterion as in the previously in force IAS 39), losses (and recovery of losses) for reduced value, profits/(losses) on exchange and profits/(losses) resulting from elimination from accounts are recognised in profit/(loss) of the year.

2) Fair Value Through Other Comprehensive Income (FVTOCI) when:

a. the instruments’ contractual cash flows are solely represented by payment of capital and interest (SPPI Test passed); and

b. the business model adopted by the company foresees that the latter holds the financial asset to collect the contractual cash flows and the cash flows generated by sales (HTC&S business model).

In that category the financial instruments classified are initially recognised at fair value, including operating costs.

Interest (calculated using the effective interest criterion as in the previously in force IAS 39), losses/(profits) for reduced value, profits/(losses) on exchange are recognised in profits/(losses) for the year. Other changes to the fair value of the instrument are recognised among the other comprehensive income statement components (OCI). When the instrument is deleted from accounts, all profits/(losses) accumulated to OCI will be reclassified in the profit/(loss) for the year.

3) Fair Value Through Profit Or Loss secondarily, that is when:
a. the criteria described above are not complied with or;
b. when the fair value option is exercised.

Financial instruments classified in that category are initially and subsequently recognised at fair value. Operation costs and the changes in fair value are recognised in the profit/(loss) for the year.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

The rights to receive cash flows from the asset have expired

or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Losses for reduction in value

The 'expected credit loss' model (or 'ECL' model) assumes a significant valuation level due to the impact of economic factor changes on the ECL which are weighted based on probability.

The loss for reduction in value model applies to financial assets valued at amortised cost or at FVOCI.

Provisions for credit risks are determined using the following methodological approaches: the "General deterioration method" and the "Simplified approach"; specifically:

- The "General deterioration method" requires classification of the financial instruments included in the scope of IFRS 9 application in three stages. The three stages reflect the credit's quality deterioration level, from when the financial instrument is acquired, and imply a different ECL calculation method;
- The "Simplified approach" foresees adoption of some simplifications for trade credits, contract assets and credits resulting from leasing contracts, in order to avoid that companies be obliged to monitor changes to the credit risk, as foreseen by the general model. Recognition of the loss applying the simplified approach must be lifetime, therefore the allocation stage is not required. Therefore, for that type receivables are divided into uniform clusters; the reference parameters (PD, LGD, and EAD) used to calculate the lifetime expected credit losses are then calculated for each cluster using the information available.

In cases where the General Deterioration Method is applied, as was said, financial instruments are classified in three stages based on deterioration of the credit quality between the date of initial recognition and that of valuation:

- Stage 1: includes all financial assets being considered when they are first recognised (Initial recognition date) regardless of the qualitative parameters (e.g.: rating) and except for situations with objective evidence of impairment. In the subsequent staging allocation, all financial instruments that have had a significant increase in credit risk compared to initial recognition or that have a low credit risk at the reference date remain in stage 1. For those assets, credit losses for the next 12 months (12-month ECL) are recognised, considering the possibility that default could occur in the next 12 months. The interest on financial instruments included in stage 1 is calculated on the book value gross of any asset impairment losses;
- Stage 2: includes financial instruments that have had a significant increase in credit risk compared to the initial recognition Date, but no objective evidence of impairment. Solely expected credit losses resulting from all possible default events are recognised for those assets; for the entire expected lifetime of the financial instrument (Lifetime

ECL). The interest on financial instruments included in stage 2 is calculated on the book value gross of any asset impairment losses;

- Stage 3: includes financial assets with objective evidence of default at the Date of valuation. Solely expected credit losses resulting from all possible default events are recognised for those assets; for the entire expected lifetime of the instrument.

For trade receivables and contract assets that do not include a significant financial component, the Group applies a simplified approach to calculating expected losses, as required by paragraph 5.5.15 of IFRS 9. Therefore, the Group does not monitor changes in credit risk, but fully recognises the expected loss at each reporting date. The Group has established a matrix system based on historical information, revised to take into account forward-looking factors with reference to specific types of debtors and their economic environment, as a tool for determining expected losses.

The Group considers a financial asset to be in default when contractual payments have been due for a period of time that is deemed to be consistent on the basis of the practices applicable in the various countries in which the Group operates. In some cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to recover the contractual amounts in full before considering the credit guarantees held by the Group, in which case the loan is considered non-performing, and stage 3 of the general model is applied. A financial asset is derecognised when there is no reasonable expectation of recovering the contractual cash flows.

The Group also takes available macroeconomic information (e.g. expected GDP) into account when assessing the recoverable amount of trade receivables.

Financial liabilities

Classification and measurement

Financial liabilities, related to loans and borrowings, trade payables and other obligations to pay, are initially recognised at fair value, net of directly related costs. They are subsequently measured at amortised cost, using the effective interest method. If there is a change in the estimated future cash flows and they can be determined reliably, the carrying amount of the liability is recalculated to reflect this change based on the present value of the new estimated future cash flows and the initially determined internal rate of return.

Financial liabilities are classified as current liabilities, unless the Group has the unconditional right to defer their payment for at least 12 months after the reporting date.

Derecognition

Financial liabilities are derecognised when they are extinguished, and the Group has transferred all the risks and obligations related to them.

Derivatives

The Group uses derivatives to hedge the risk of fluctuations in exchange rates, interest rates and market prices.

All derivatives are measured and recognised at fair value.

Transactions that meet requirements for the application of hedge accounting are classified as hedging transactions. Other transactions are designated as trading transactions, even when their purpose is to manage risk. Therefore, as some of the formal requirements of IFRS were not met at the derivative agreement date, changes in their fair value are recognised in the income statement.

Subsequent fair value gains or losses on derivatives that meet the requirements for classification as hedging instruments are recognised using the criteria set out below.

A derivative qualifies for hedge accounting if, at the inception of the hedge, there is formal designation and documentation of the hedging relationship, including the entity's risk management objective and strategy for undertaking the hedge as well as methods to test effectiveness. The hedge's effectiveness is assessed at inception and over the life of the hedge. Generally, a hedge is considered to be highly effective if, both upon inception and over its life, changes in the fair value (fair value hedges) or estimated cash flows (cash flow hedges) of the hedged item are substantially covered by changes in the fair value of the hedging instrument.

When the hedge relates to changes in the fair value of a recognised asset or liability (fair value hedge), changes in the fair value of both the hedging instrument and the hedged item are recognised in the income statement.

In the case of cash flow hedges (hedging designated to offset the risk of changes in cash flows generated by the future performance of contractually defined obligations at the reporting date), changes in fair value of the derivative recognised after its initial recognition are recognised under reserves (in equity) for the effective part only. When the economic effects of the hedged item arise, the reserve is reversed to the income statement under operating income (expense). If the hedge is not perfectly effective, changes in the fair value of the hedging instrument, related to the ineffective portion, are immediately recognised in the income statement. If, during the life of a derivative, the estimated cash flows hedged are no longer highly probable, the portion of the reserves related to that instrument is immediately reversed to the income statement. Conversely, if the derivative is sold or no longer qualifies as an effective hedging instrument, the part of the reserves representing the fair value changes in the instrument, accumulated to date, is maintained in equity and reversed to the income statement using the above classification method when the originally hedged transaction takes place.

The fair value of financial instruments was calculated used pricing techniques in order to define the present value of future cash flows attributable to such instruments, using market curves in place at the measurement date. Furthermore, the component related to the risk of non-compliance (by the Group and the counterparty) was measured using yield-curve spreads.

Treasury shares

The cost of acquiring its own equity instruments ('treasury shares') is deducted from capital. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of equity instruments. Such treasury shares may be acquired and held by the entity or by other members of the consolidated group. Consideration paid or received is recognised directly in equity.

Cash and cash equivalents

Cash and cash equivalents are recognised at fair value and include bank deposits and cash-on-hand, i.e., short-term, highly liquid assets that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

In the event that bank deposits do not fall under the definition of Cash and Cash Equivalents above, they are classified as financial assets, current or non-current, depending on the specific conditions attached to them.

Employee benefits

Liabilities for employee benefits paid at or after termination of employment related to defined-benefit plans, net of any plan assets, are determined using actuarial assumptions, estimating the amount of future benefits accrued by employees at the reporting date. They are recognised on an accruals basis over the period in which the employees' rights accrue. Defined benefit plans also include the post-employment benefits (TFR) due to employees[1] pursuant to Art. 2120 of the Italian Civil Code for benefits vested up to 31 December 2006. Following pension law reform, postemployment benefits accruing since 1 January 2007 are compulsorily transferred to a supplementary pension fund or the special treasury fund set up by INPS (the Italian social

[1] Relating to Italian companies.

security institution) depending on which option the employee has chosen. Therefore, the Group's liability for defined benefits owing to employees solely relates to those vested up to 31 December 2006.

Accounting policies adopted by the Group[1] since 1 January 2007 (described below) comply with the prevailing interpretation of the new legislation and follow the accounting guidance provided by relevant professional bodies. Specifically, it:

- post-employment benefits accruing since 1 January 2007 are considered to be defined contribution plans, including when the employee has opted to transfer the benefits to the INPS treasury fund. These benefits, determined in accordance with Italian Civil Code requirements, are not subjected to actuarial evaluation and are recognised as personnel expense.
- post-employment benefits vested up to 31 December 2006 continue to be recognised as a company liability for defined benefit plans. This liability will not increase in the future through additional accruals. Therefore, the actuarial calculation used to determine the 31 December 2016 balance did not include future salary increases.

Independent actuaries calculate the present value of the Group's obligations using the projected unit credit method. They project the liability into the future to determine the probable amount to be paid when the employment relationship terminates and then discount it to consider the time period before the first effective payment. This calculation includes post-employment benefits accrued for past service and uses actuarial assumptions, mainly based on interest rates, which reflect the market yield on high quality corporate bonds with a term consistent with that of the Group's obligation and employee turnover rate.

Actuarial gains and losses, defined as the difference between the carrying amount of the liability and the present value of the Group's obligations at the reporting date, due to changes in the actuarial assumptions previously used (see above), are recognised directly in other comprehensive income.

Provisions for risks and charges

These provisions cover certain or probable risks and charges identified, whose due date or amount is unknown at the reporting date.

Accruals to provisions for risks and charges are recognised when the company has a constructive or legal obligation at the reporting date as a result of a past event and it is likely that an outflow of resources will be necessary to settle the obligation and the amount of this outflow can be estimated reliably. When the time value of money is material and the payment dates can be estimated reliably, the provision is discounted. Increases in the provision due to the passage of time are recognised as a financial expense. The Group sets up a specific provision when it has an obligation to dismantle and restore sites (e.g., quarries), thus increasing the carrying amount of the related asset pursuant to IAS 16 and IFRIC 1.

The provision for dismantling and removing, recorded in the financial statements, essentially includes the estimated costs that will be incurred, upon completion of the extraction of materials used for production, for the mining closure of quarries, removal of structures and restoration of sites. The Group periodically assesses changes, circumstances or events that may require it to recognise such liabilities.

Liabilities related to the dismantling of tangible assets and the restoration of sites at the end of production activities are recognised, in the presence of a legal or constructive obligation and of the possibility of making a reliable estimate of the charge, as an offsetting entry to the assets to which they refer. In view of the long period of time between when the obligation arises and when it is settled, estimates of charges to be incurred are recognised on the basis of their present value. The adjustment of the provision related to the passage of time is recognised in the income statement under financial income and expenses. Provisions are periodically assessed to take into account updated costs to be incurred, contractual constraints, legislation and practices in the country where the tangible assets are located. Changes in estimates of these provisions are generally recognised as a balancing entry to the assets to which they relate; in this regard, if the change in estimate results in a reduction in an amount greater than the carrying amount of the asset to which it relates, the excess is recognised in the income statement.

Revenue from contracts with customers

The Group is in the business mainly of producing and distributing cement, ready-mixed concrete, aggregates and related services. Revenue from contracts with customers is recognised at the point in time when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. For standard sale of products, control generally passes to the customer at the time the product is delivered and accepted, depending on the delivery conditions and incoterms. The Group has generally concluded that it is the principal in its transactions with clients.

The transaction price may be variable due to discounts, rebates or similar arrangements. Revenue is only recognised for the part of the consideration for which it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Sale of services

The Group is providing mainly transport services which are recognised at the time the service is provided.

Financial income and expense

Financial income and expense are recognised on an accruals basis considering the interest accrued on the carrying amount of the related financial assets and liabilities using the effective interest rate, i.e., the interest rate that matches the cash inflows and outflows of a specific transaction. Reference should be made to the section on property, plant and equipment for the treatment of capitalised borrowing costs.

Dividends

Dividends are recognised when the shareholders' right to receive them is established. This usually takes place at the date of the shareholders' resolution to distribute the dividends. Therefore, distribution is recognised as a liability in the period in which the shareholders approve it.

Income taxes

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets and liabilities are calculated on temporary differences between the carrying amounts of assets and liabilities and their tax base, except for goodwill, applying the tax rates expected to be enacted in the years in which the temporary differences will be recovered or settled. Deferred tax assets are recognised when their recovery is probable, i.e., when taxable profits sufficient to allow recovery are foreseen for the future. Recoverability is reviewed at the end of each reporting period.

Current and deferred income taxes are recognised in the income statement except for those related to items directly recognised in other comprehensive income. Other current and deferred income taxes are offset when the income taxes are applied by the same tax authority, there is a legal right to offset and payment of the net balance is expected.

Other non-income taxes, such as property taxes, are recognised under other operating costs.

Earnings per share

(i) Basic: basic earnings per share are calculated by dividing the Group's profit by the weighted average number of shares outstanding during the year, excluding treasury shares.

(ii) Diluted: diluted earnings per share are calculated by dividing the Group's profit by the weighted average number of shares outstanding during the year, excluding treasury shares. The weighted average is adjusted assuming that all potential shares with diluting effects have been converted. Diluted earnings per share are not calculated if the Group makes a loss, as any dilutive effect would lead to an improvement in the earnings per share.

Transactions in currencies other than the functional currency

All transactions in currencies other than the functional currency of individual group companies are recognised at the exchange rate applicable at the transaction date.

Monetary assets and liabilities in currencies other than the functional currency are subsequently retranslated using the closing rate. Any resulting exchange rate gains or losses are recognised in the income statement.

Non-monetary assets and liabilities denominated in a currency other than the functional currency are recognised at historical cost and converted using the exchange rate in force at the date the transaction was first recognised.

Non-monetary assets and liabilities recognised at fair value are translated using the exchange rate in force at the date fair value was determined.

Translation of financial statements of foreign operations

The financial statements of subsidiaries, associates and joint ventures are prepared using the currency of the primary economic environment in which they operate (the functional currency).

The financial statements of group companies operating outside the eurozone are translated into euros using the closing rate for the statement of financial position items and the average annual rate for the income statement items if no major fluctuations are detected in the reference period, in which case the exchange rate on the date of the transaction applies. For Turkish subsidiaries, please refer to that explained in the paragraph "Türkiye — Hyperinflated Economy: impacts of the application of IAS 29". Translation differences arising on the adjustment of opening equity at the closing spot rates and the differences arising from the different methods used to translate profit for the year are recognised in equity through the statement of comprehensive income and shown separately in a special reserve.

When a foreign operation is sold, the translation differences accumulated in the specific equity reserve are reclassified to profit or loss.

The main exchange rates used in translating the financial statements of companies with functional currencies other than the euro are as follows:

	31 December 2024	Average 2024	31 December 2023	Average 2023
Turkish lira – TRY *	36.74	35.57	32.65	25.76
US dollar – USD	1.04	1.08	1.11	1.08
British pound – GBP	0.83	0.85	0.87	0.87
Egyptian pound – EGP	52.81	48.68	34.24	33.01
Danish krone – DKK	7.46	7.46	7.45	7.45
Icelandic krona – ISK	143.90	149.31	150.50	149.13
Norwegian krone – NOK	11.80	11.63	11.24	11.42
Swedish krona – SEK	11.46	11.43	11.10	11.48
Malaysian ringgit – MYR	4.65	4.95	5.08	4.93
Chinese renminbi yuan – CNY	7.58	7.79	7.85	7.66

(*) For Turkish subsidiaries, please see the section “Türkiye - hyperinflated economy: impacts of the application of IAS 29”.

Use of estimates

The preparation of consolidated financial statements requires management to use accounting policies and methods that are sometimes based on difficult and subjective judgements, estimates based on past experience and assumptions that are considered reasonable and realistic in the circumstances. The application of these estimates and assumptions affects the amounts presented in the financial statements and disclosures. The actual results for which these estimates and assumptions were used may differ due to the uncertainties that characterise the assumptions and the conditions on which the estimates were based.

The accounting policies and financial statements items that require greater subjective judgement by management when making estimates and for which a change in the conditions underlying the assumptions could have a significant impact on the Group’s consolidated financial statements are the following:

- *Intangible assets with indefinite life:* goodwill is tested for impairment annually to identify any impairment losses to be recognised in the income statement. Specifically, this test involves determining the recoverable amount of the CGUs to which goodwill is allocated by estimating their value in use or fair value less costs of disposal; If this recoverable amount is lower than the carrying amount of the CGUs, the goodwill allocated to them must be written down. Allocation of goodwill to the CGUs and determination of their fair value involves the use of estimates that rely on factors that may change over time, including the technological, economic and regulatory ones deriving from climate change, with potentially significant effects compared to the valuations made by management.
- *Amortisation and depreciation of non-current assets:* amortisation and depreciation are significant costs for the Group. The cost of property, plant and equipment is depreciated systematically over the assets’ estimated useful life. The economic useful life of the Group's fixed assets is determined by the directors at the time the fixed asset was acquired; it is based on historical experience for similar fixed assets, market conditions and anticipations regarding future events that may impact useful life, including changes in technology. As such, effective useful life may differ from estimated useful life. The Group regularly assesses technological and sector changes, as well as those related to the effects deriving from climate change, dismantlement costs and the recoverable amount to update useful life. This regular update could lead to a change in the depreciation period and, therefore, the amount of depreciation in future years. Management regularly reviews the estimates and assumptions and the effects of each change are recognised in the income statement. When the review affects current and future years, the change is recognised in the year in which it is made and in the related future years, as explained in more detail in the next section.
- *Dismantling and removing provisions:* the Group incurs significant liabilities related to the obligations to decommission tangible assets and restore the land environment at the end of production activity. Estimating future

decommissioning and restoration costs is a complex process and requires the management's judgement in assessing the liabilities that will be incurred many years from now to meet decommissioning and restoration obligations, which are often not fully defined by laws, administrative regulations or contractual clauses. Moreover, these obligations are affected by the constant updating of decommissioning and restoration techniques and costs, as well as by the continuous evolution of political and public awareness of health and environmental protection. The determination of the discount rate to be used both in the initial measurement of the charge and in subsequent measurements, as well as the forecast of the timing of the disbursements and their possible updating, are the result of a complex process that involves the exercise of professional judgement by management.

- *Purchase Price Allocation:* as part of business combinations, the identifiable assets purchased and the liabilities assumed are recognised in the consolidated financial statements at fair value on the acquisition date, through a Purchase price allocation process, against the consideration transferred to acquire the control of a company, which corresponds to the fair value of the assets acquired and the liabilities assumed, as well as of capital instruments issued. During the measurement period, the calculation of the aforementioned their values requires Directors to make estimates on the information available on all facts and circumstances that exist on the acquisition date and may affect the value of the acquired assets and assumed liabilities.
- *Estimate of the fair value of investment property*: at each reporting data investment property is measured at fair value and is not subject to depreciation. When determining their fair value, the Directors based their valuation on assumptions about the trend of the reference real estate market in particular. Such assumptions may vary over time, influencing evaluations and forecasts to be performed by the Directors.
- *Estimation of recoverability of deferred tax assets*: deferred tax assets are recognised on temporary deductible differences between the carrying amount of an asset or liability on the balance sheet and its value for tax purposes and on unused and carried forward tax losses, to the extent that future taxable income available is likely to be such that deferred tax assets can be used. Determining the level of deferred tax assets to be recorded requires a judgment from the Management that requires estimates of the timing and level of future taxable profits.

Changes in accounting policies, errors and changes in estimates

The Company modifies the accounting policies adopted from one reporting period to another only if the change is required by a standard or contributes to providing more reliable and relevant information about the effects of transactions on the company's financial position, performance and cash flows.

Changes in accounting policies are recognised retrospectively in the opening balance of each affected component of equity for the earliest prior period presented. Other comparative amounts shown for each previous period presented are adjusted as if the new accounting policy had always been applied. The prospective approach is only applied when it is impracticable to reconstruct the comparative amounts.

The application of a new or amended accounting standard is accounted for as required by the standard. If the standard does not govern the transition method, the change is accounted for retrospectively or, if impracticable, on a prospective basis.

This same approach is applied to material errors. Non-material errors are recognised in the income statement in the period in which the error is identified.

Changes in estimates are recognised prospectively in the income statement in the period in which the change takes place, if it only affects that period, or in the period in which the change takes place and subsequent periods, if the change also affects these periods.

Financial risk management

The Group is exposed to financial risks related to its operations, namely:

Credit risk

The Group is not particularly exposed to credit risk, despite operating in different geographical markets, as it is not overly exposed to a limited number of positions. Moreover, its operating procedures require checks on credit risk, with the sale of products and/or services limited to customers with suitable credit ratings and guarantees.

Receivables are recognised net of the loss allowance, calculated considering the rules set out by IFRS 9, as mentioned above. Therefore, the maximum exposure to credit risk is equivalent to the carrying amount.

With respect to bank deposits and derivatives, the Group has always worked with leading counterparties, thus limiting its credit risk in this sense.

Liquidity risk

Liquidity risk concerns the availability of financial resources and access to credit market and financial instruments.

Specifically, the Group monitors and manages its cash flows, funding requirements and liquidity levels in order to ensure the effective and efficient use of its financial resources.

It meets its liquidity requirements for investing activities, working capital and the payment of amounts payable drawing on cash flows generated constantly by its operating activities and on credit facilities.

The Group aims to maintain its ability to generate cash flows through operating activities, given the current market conditions. In fact, thanks to its strong financial position, any unplanned financial requirements can be funded through its access to credit facilities.

Market risk

Market risk mainly concerns exchange rates, interest rates and raw materials costs, as the Group operates internationally in areas with different currencies.

The Group monitors the financial risks to which it is exposed regularly so as to assess in advance any potential impacts and take the most suitable action to mitigate them; derivative financial instruments are also used for this purpose.

Currency risk

Group companies operate internationally; as such they are structurally exposed to currency risk for cash flows from operating activities and financing operations in currencies other than the functional currency.

The Group’s operating activities are exposed differently to changes in exchange rates: in particular the cement sector is exposed to currency risk on both revenues, for exports, and costs to purchase solid fuels in USD; whereas the ready-mixed concrete sector is less exposed as both revenue and costs are in local currency. The Group assesses the natural hedging of cash flows and financing for these risks and purchases currency forwards and currency put and call options for hedging purposes. Transactions involving derivatives are performed for hedging purposes.

The Group’s presentation currency is the euro. As a result, it is exposed to currency risk in relation to the translation of the financial statements of consolidated companies based in countries outside the Economic Monetary Area (except for Denmark whose currency is historically tied to the euro). The income statements of these companies are translated into euros using the average annual rate in the event that changes in value are not significant, and changes in exchange rates may affect the value in euros, even when the revenue and profits in local currency remain unchanged. Translation differences on assets and liabilities are recognised directly in equity in the translation reserve (note 13).

For information on the accounting effects of hyperinflation applied to investee companies in Türkiye, please see the section “Türkiye — hyperinflated economy: impacts of the application of IAS 29”.

Interest rate risk

As the Group has net financial debt, it is exposed to the risk of fluctuations in interest rates. The Group purchases interest rate swaps to partly hedge the risk after assessing forecast interest rates and timeframes for the repayment of debt by using estimated cash flows.

The Group’s operating and financial policies aim to minimise the impact of these risks on its performance.

Raw materials price risk

The Group is exposed to the risk of fluctuations in raw materials prices. It manages this risk through supply agreements with suppliers which set prices and quantities for roughly 12 months. It also uses suppliers in different geographical areas to avoid the risk of supply chain concentration and to obtain the most competitive prices. Furthermore, the Group uses derivative instruments to hedge the risk of market price fluctuations.

Also refer to note 32 for quantitative information on risks.

Group's value

The Stock Exchange capitalisation of the Cementir shares as of 31 December 2024 is equal to EUR 1,677.1 million (EUR 1,518.0 million as of 31 December 2023) against a net equity pertaining to the Group of EUR 1,717.0 million (EUR 1,503.1 million as of 31 December 2023); this capitalisation value is therefore lower than the measurement based on the Group's fundamentals expressed by the economic value, calculated on the basis of the forecasted future results.

It is believed that the value of the Group should be determined with regard to its ability to generate cash flows rather than on stock market values that also reflect situations not strictly related to the Group, with expectations focused on the short term.

Segment reporting

In accordance with IFRS 8, the Group has identified its operating segments on the basis of the Parent's internal reporting system for management purposes.

The Group's operations are organised on a regional basis, divided into Regions that represent the following geographical areas: Nordic & Baltic, Belgium, North America, Türkiye, Egypt, Asia Pacific and Italy (hereinafter also "Holding and Services").

The Nordic & Baltic region includes Denmark, Norway, Sweden, Iceland, Poland and the white cement operations in Belgium and France. The Belgium region includes the activities of the Compagnie des Ciments Belges S.A. group in Belgium and France. The North America region includes the United States. The Asia Pacific region includes China, Malaysia and Australia. "Holding and Services" includes the Parent Company, Spartan Hive, Aalborg Portland Digital and other smaller companies.

The Group's geographical segments consist of the non-current assets of each company based and operating in the above areas. Transfer prices applied to transactions between segments for the exchange of goods and services comply with normal market conditions.

The following table shows the performance of each operating segment at 31 December 2024:

(EUR'000)	**Nordic & Baltic**	**Belgium**	**North America**	**Türkiye**	**Egypt**	**Asia Pacific**	**Holding and Services**	Unallocated items and adjustments	**CEMENTIR HOLDING GROUP**
Operating revenue	**704,230**	**337,855**	**179,398**	**413,670**	**45,300**	**109,147**	**160,714**	(236,419)	**1,713,895**
Intra-segment operating revenue	(78,144)	(1)	(1,253)	(21,217)	(12,578)	-	(123,226)	236,419	-
Contributed operating revenue	626,086	337,854	178,145	392,453	32,722	109,147	37,488	-	1,713,895
Segment result (EBITDA)	**173,716**	**93,942**	**24,774**	**86,770**	**16,874**	**21,240**	**(9,974)**	-	**407,342**
Amortisation, depreciation, impairment losses and provisions	(53,514)	(38,041)	(16,346)	(22,322)	(2,204)	(8,909)	(3,984)	-	(145,320)
EBIT	**120,202**	**55,901**	**8,428**	**64,448**	**14,670**	**12,331**	**(13,958)**	-	**262,022**
Net profit (loss) of equity-accounted investees	1,154	-	-	-	-	-	-	-	1,154
Net financial income (expense)	-	-	-	-	-	-	-	21,716	21,716
Profit (loss) before taxes	-	-	-	-	-	-	-	-	**284,892**
Income taxes	-	-	-	-	-	-	-	(70,437)	(70,437)
Profit (loss) for the year	-	-	-	-	-	-	-	-	**214,455**

The following table shows the performance of each operating segment at 31 December 2023:

(EUR'000)	Nordic & Baltic	Belgium	North America	Türkiye	Egypt	Asia Pacific	Holding and Services	Unallocated items and adjustments	CEMENTIR HOLDING GROUP
Operating revenue	**754,526**	**362,049**	**183,690**	**333,866**	**50,345**	**124,981**	**214,478**	**(286,388)**	**1,737,547**
Intra-segment operating revenue	(86,860)	(3)	(1,116)	(16,146)	(8,933)	**-**	(173,330)	286,388	-
Contributed operating revenue	667,666	362,046	182,574	317,720	41,412	124,981	41,148	-	1,737,547
Segment result (EBITDA)	**181,250**	**97,559**	**26,282**	**63,321**	**12,540**	**26,879**	**3,291**	-	**411,122**
Amortisation, depreciation, impairment losses and provisions	(49,150)	(33,601)	(16,463)	(19,622)	(2,005)	(8,615)	(3,337)	-	(132,793)
EBIT	**132,100**	**63,958**	**9,819**	**43,699**	**10,535**	**18,264**	**(46)**	-	**278,329**
Net profit (loss) of equity-accounted investees	772	-	-	-	-	-	-	-	772
Net financial income (expense)	-	-	-	-	-	-	-	11,609	11,609
Profit (loss) before taxes	-	-	-	-	-	-	-	-	**290,710**
Income taxes	-	-	-	-	-	-	-	(75,218)	(75,218)
Profit (loss) for the year	-	-	-	-	-	-	-	-	**215,492**

The following table shows the other financial data of the geographical sector as of 31 December 2024:

(EUR'000)	Segment total assets	Segment non current assets	Segment total liabilities	Segment Equity-accounted investments	Segment Investments property, plant and equipment and intangible asset
Nordic & Baltic	791,227	579,500	391,955	9,993	58,985
Belgium	510,024	421,022	176,618	143	65,025
North America	369,274	214,498	72,093	-	7,672
Türkiye	610,358	418,769	157,017	-	20,990
Egypt	95,632	17,003	23,823	-	7,650
Asia Pacific	168,800	73,918	36,659	-	4,249
Holding and Services	210,409	78,190	41,175	-	15,501
Total	**2,755,724**	**1,802,900**	**899,340**	**10,136**	**180,072**

The following table shows the other financial data by sector as of 31 December 2023:

(EUR'000)	Segment total assets	Segment non current assets	Segment total liabilities	Segment Equity-accounted investments	Segment Investments property, plant and equipment and intangible asset
Nordic & Baltic	818,251	559,697	395,152	6,386	61,291
Belgium	492,611	393,898	172,898	143	37,262
North America	359,153	209,935	68,181	-	12,849
Türkiye	453,614	317,881	109,397	-	17,704
Egypt	117,255	18,440	29,665	-	2,878
Asia Pacific	145,810	72,538	28,591	-	7,209
Holding and Services	135,500	70,762	67,477	-	10,750
Total	**2,522,194**	**1,643,151**	**871,361**	**6,529**	**149,943**

The following table shows revenue from third-party customers by geographical segment in 2024:

(EUR'000)	Nordic & Baltic	Belgium	North America	Türkiye	Egypt	Asia Pacific	Italy	Rest of the world	CEMENTIR HOLDING GROUP
Revenue by customer geographical location	718,768	239,588	191,491	367,699	13,391	105,738	4,379	45,889	**1,686,943**

The following table shows revenue from third-party customers by geographical segment in 2023:

(EUR'000)	Nordic & Baltic	Belgium	North America	Türkiye	Egypt	Asia Pacific	Italy	Rest of the world	CEMENTIR HOLDING GROUP
Revenue by customer geographical location	727,832	255,945	191,817	282,554	18,766	138,403	6,900	72,030	**1,694,247**

Also refer to note 21) for information on segment revenue by product.

For details of the products and services from which each reportable segment derives its revenues, please see the Director’s Report.

Notes

1) Intangible assets with a finite useful life

At 31 December 2024, intangible assets with a finite useful life amounted to EUR 194,593 thousand (EUR 188,419 thousand at 31 December 2023). Concession rights and licences mainly consisted of concessions to use quarries and software licences for the IT system (SAP R/3). The increase in the period is attributable to projects relating to improvements in IT processes, technology, infrastructure and IT security measures. In particular, the main projects concerned new developments in the field of ERP (SAP) and management and operational reporting systems, the implementation and further development of systems for the centralised management of some core processes including purchase and maintenance (to name the main ones); in addition, significant investments were made in some Group companies for the optimisation and securing of the network and systems. The increases also include investments made in accordance with the Emissions Trading System Regulation. The reclassification shown in the table below is primarily due to the effect of fulfilling obligations for CO2 allowances accruing as liabilities in 2023 and the related netting accounted for in 2024.

Other intangible assets include the values assigned to certain assets upon acquisition of the CCB Group and LWCC, such as customer lists and contracts for the exclusive exploitation of quarries. These amounts were recognised as part of the purchase price allocation for the acquisition of these companies.

Amortisation is applied over the assets' estimated useful life.

(EUR'000)	Development expenditure	Concessions, licenses and trademarks	Other intangible assets	Assets under development and advances	Total
Gross amount at 1 January 2024	**1,786**	**63,747**	**265,808**	**1,565**	**332,906**
Hyperinflation adjustment in respect of Türkiye	-	2,758	1,660	-	4,418
Additions	-	76	12,614	931	13,621
Disposals	-	-	-	-	-
Impairment losses	-	-	-	-	-
Change in consolidation scope	-	-	2,232	-	2,232
Exchange differences	-	1,304	5,676	(1)	6,979
Reclassifications	-	398	(1,785)	(544)	(1,931)
Gross amount at 31 December 2024	**1,786**	**68,283**	**286,205**	**1,951**	**358,225**
Amortisation at 1 January 2024	**1,786**	**29,459**	**113,241**	**-**	**144,486**
Hyperinflation adjustment in respect of Türkiye	-	602	1,655	-	2,257
Amortisation	-	2,156	12,771	-	14,927
Decrease	-	-	(5)	-	(5)
Change in consolidation scope	-	-	-	-	-
Exchange differences	-	269	1,698	-	1,967
Reclassifications	-	-	-	-	-
Amortisation at 31 December 2024	**1,786**	**32,486**	**129,360**	**-**	**163,632**
Net amount at 31 December 2024	**-**	**35,797**	**156,845**	**1,951**	**194,593**

The Group spent approximately EUR 2,0 million on research and development during the year (EUR 2.2 million at 31 December 2023), all of which was recognised in the income statement.

(EUR'000)	Development expenditure	Concessions, licenses and trademarks	Other intangible assets	Assets under development and advances	Total
Gross amount at 1 January 2023	**1,786**	**65,203**	**267,186**	**1,004**	**335,179**
Hyperinflation adjustment in respect of Türkiye	-	1,907	1,653	-	3,560
Additions	-	47	6,966	4,816	11,829
Disposals	-	(1,111)	(173)	-	(1,284)
Impairment losses	-	-	-	-	-
Change in consolidation scope	-	-	16	-	16
Exchange differences	-	(2,575)	(4,630)	-	(7,205)
Reclassifications	-	276	(5,210)	(4,255)	(9,189)
Gross amount at 31 December 2023	**1,786**	**63,747**	**265,808**	**1,565**	**332,906**
Amortisation at 1 January 2023	**1,786**	**28,042**	**100,810**	**-**	**130,638**
Hyperinflation adjustment in respect of Türkiye	-	290	1,577	-	1,867
Amortisation	-	2,369	13,101	-	15,470
Decrease	-	(435)	(254)	-	(689)
Change in consolidation scope	-	-	-	-	-
Exchange differences	-	(807)	(1,993)	-	(2,800)
Reclassifications	-	-	-	-	-
Amortisation at 31 December 2023	**1,786**	**29,459**	**113,241**	**-**	**144,486**
Net amount at 31 December 2023	**-**	**34,288**	**152,567**	**1,565**	**188,419**

2) Intangible assets with an indefinite useful life (goodwill)

The Group regularly tests intangible assets with an indefinite useful life, consisting of goodwill allocated to CGUs, for impairment.

At 31 December 2024, the item amounted to EUR 448,262 thousand (EUR 404,515 thousand at 31 December 2023).

The following table shows CGUs by macro geographical segment:

31.12.2024 (EUR'000)	Nordic & Baltic	North America	Türkiye	Egypt	Asia Pacific	Total
Opening balance	**253,772**	**27,843**	**118,850**	**1,112**	**2,938**	**404,515**
Hyperinflation adjustment in respect of Türkiye	-	-	45,496	-	-	45,496
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment losses	-	-				
Change in consolidation scope	9,292	-	-	-	240	9,532
Exchange differences	(1,083)	1,771	(11,844)	(391)	266	(11,281)
Reclassifications	-	-	-	-	-	-
Closing balance	**261,981**	**29,614**	**152,502**	**721**	**3,444**	**448,262**

31.12.2023 (EUR'000)	Nordic & Baltic	North America	Türkiye	Egypt	Asia Pacific	Total
Opening balance	**255,403**	**28,845**	**117,957**	**1,453**	**3,177**	**406,835**
Hyperinflation adjustment in respect of Türkiye	-	-	42,203	-	-	42,203
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-
Exchange differences	(1,631)	(1,002)	(41,310)	(341)	(239)	(44,523)
Reclassifications	-	-	-	-	-	-
Closing balance	**253,772**	**27,843**	**118,850**	**1,112**	**2,938**	**404,515**

In line with previous years, the Group tested the cash generating units (hereinafter CGUs), to which goodwill had been allocated, for impairment.

CGUs are defined as the smallest identifiable group of assets that generates cash inflows which are largely independent of cash inflows generated by other assets or groups of assets. The Group's CGUs consist of companies and/or the specific facilities they operate and to which goodwill paid at acquisition was allocated.

At 31 December 2024, the Group represented the CGUs on the basis of its operating segments, consistent with corporate organisation. The CGU groupings for the "Nordic & Baltic" and "Turkey" include CGUs to which goodwill was allocated for the local acquisitions of companies.

In particular, the "Nordic & Baltic" CGU grouping includes the Aalborg Portland group, Unicon Denmark and Unicon Norway, the "North America" CGU grouping includes the United States, the "Turkey" CGU grouping includes the Cimentas group, Lalapasa, Sureko, Elazig Cimento, Egypt refers to the Sinai White Cement Company, while the "Asia Pacific" CGU grouping includes Aalborg Portland Malaysia, Aalborg Portland Anqing and Aalborg Portland Australia.

Impairment testing of the CGUs grouping covered cash flows tied to the relative groups, to check for impairment.

Impairment testing involved comparing each CGU grouping's carrying amount with its value in use, determined using the discounted cash flow (DCF) method applied to the future cash flows forecast by the three/five-year plans prepared by the directors of each CGU grouping. Cash flow projections were estimated using budget forecasts for 2025 approved by the Board of Directors of the respective subsidiaries and of the following two/four-year period carried out by the company management; these projections were prepared on the basis of the Group Business Plan, examined and approved by the Board of Directors of Cementir Holding NV on 11 February 2025. The terminal values were determined using a perpetual growth rate. Cash flow projections include the impact of climate-related risks on future expected cash flows to invest in the reduction of the CO2 emission.

The discount rate applied to the estimated future cash flows was determined for each CGU using a weighted average cost of capital (WACC).

Key assumptions to determine value in use of CGUs were as follows:

31.12.2024 **Values in %**	**Growth rate of terminal values**	**Discount rate**	**Average increase of revenue 2025 to terminal period**	**Average EBITDA ratio 2025 to terminal period**
Nordic & Baltic	1.5%	6.1%	8.7%	25.2%
North America	2%	8.8%	5.4%	14.9%
Türkiye	6%	21.8%	15.0%	16.4%
Egypt	3%	20.0%	15.3%	28.2%
Asia Pacific	3%	8.6%	4.1%	17.0%

31.12.2023 **Values in %**	**Growth rate of terminal values**	**Discount rate**	**Average increase of revenue 2024 to terminal period**	**Average EBITDA ratio 2024 to terminal period**
Nordic & Baltic	1.5%	6.7%	6.1%	24.5%
North America	2%	8.7%	4.7%	14.5%
Türkiye	5%	21.4%	38.9%	17.0%
Egypt	3%	24.6%	10.4%	24.6%
Asia Pacific	3%	8.5%	4%	16.9%

The above tests did not identify any impairment at 31 December 2024.

Taking into account the key assumptions set out above, management performed a sensitivity analysis assuming the following:

- A discount rate fluctuation hypothesis (WACC). Specifically, a possible reasonable variation in WACC, at the same conditions, would not result in the recognition of any impairment loss for all the CGUs listed above. The changes applied to the assumption, based on the peculiarities of the CGU and the macroeconomic environment in which they operate, are as follows:

  or Nordic & Baltic +/- 0.4%
  or North America +/- 0.4%
  or Türkiye +/- 1%
  or Egypt +/- 0.4%
  or Asia Pacific +/- 0.4%

• A reduction in growth rates of -1%, other things being equal, would not result in the recognition of any significant impairment loss for all the aforesaid CGUs.

• A reduction in both the increase in annual revenues and the EBITDA ratio of 10%, all other things being equal, would not result in the recognition of any impairment loss for all the aforementioned CGU, except for Türkiye for which the break even will be reached with an EBITDA ratio reduction of 2%.

The input assumptions stated in the table above were applied to estimates and forecasts determined by on the basis of past experience and expected developments in the markets in which the Group operates. The Group constantly monitors circumstances and events that could lead to impairment losses based on developments in the current economic climate.

3) Property, plant and equipment

At 31 December 2024, property, plant and equipment amounted to EUR 990,085 thousand (EUR 908,930 thousand at 31 December 2023).

Additional disclosures for each category of property, plant and equipment are set out below:

(EUR'000)	Land and buildings	Quarries	Plant and equipment	Other	Assets under development and advances	Total
Gross amount at 1 January 2024	**520,290**	**191,095**	**1,507,248**	**193,709**	**95,102**	**2,507,444**
Hyperinflation adjustment in respect of Türkiye	57,759	793	167,153	12,320	792	**238,817**
Additions	6,682	2,173	23,780	40,807	93,008	**166,450**
Disposals	(3,750)	-	(16,243)	(13,098)	(4)	**(33,095)**
Impairment losses	-	-	-	-	-	-
Change in consolidation scope	1,207	-	1,340	2,008	-	**4,555**
Exchange differences	(14,585)	489	(44,347)	(2,928)	(2,382)	**(63,753)**
Reclassifications and similar changes	4,357	2,831	50,622	1,743	(57,917)	**1,636**
Gross amount at 31 December 2024	**571,960**	**197,381**	**1,689,553**	**234,561**	**128,599**	**2,822,054**
Depreciation at 1 January 2024	**310,465**	**21,371**	**1,141,415**	**125,263**	**-**	**1,598,514**
Hyperinflation adjustment in respect of Türkiye	32,350	850	156,700	11,416	-	**201,316**
Depreciation	13,674	3,969	63,672	33,222	-	**114,537**
Decrease	(3,631)	-	(16,182)	(11,546)	-	**(31,359)**
Change in consolidation scope	-	-	-	-	-	**-**
Exchange differences	(7,687)	(178)	(40,687)	(2,349)	-	**(50,901)**
Reclassifications and similar changes	(4)	-	-	(134)	-	**(138)**
Depreciation at 31 December 2024	**345,167**	**26,012**	**1,304,918**	**155,872**	**-**	**1,831,969**
Net amount at 31 December 2024	**226,793**	**171,369**	**384,635**	**78,689**	**128,599**	**990,085**

Note 31 IFRS 16 – “Leases” gives a breakdown of Right of use assets categorised according to their nature.

(EUR'000)	Land and buildings	Quarries	Plant and equipment	Other	Assets under development and advances	Total
Gross amount at 1 January 2023	**520,533**	**198,859**	**1,491,283**	**177,871**	**56,235**	**2,444,781**
Hyperinflation adjustment in respect of Türkiye	56,327	791	162,262	10,650	83	**230,113**
Additions	4,688	2,036	29,302	33,063	69,024	**138,113**
Disposals	(2,189)	(3,481)	(5,044)	(16,036)	-	**(26,750)**
Impairment losses	-	-	-	-	-	**-**
Change in consolidation scope	(1,425)	(2,076)	(9,079)	(670)	-	**(13,250)**
Exchange differences	(64,076)	(4,935)	(181,946)	(14,005)	(1,470)	**(266,432)**
Reclassifications and similar changes	6,432	(99)	20,470	2,836	(28,770)	**869**
Gross amount at 31 December 2023	**520,290**	**191,095**	**1,507,248**	**193,709**	**95,102**	**2,507,444**
Depreciation at 1 January 2023	**301,886**	**29,361**	**1,100,248**	**115,206**	**-**	**1,546,701**
Hyperinflation adjustment in respect of Türkiye	31,108	730	151,742	9,865	-	**193,445**
Depreciation	13,785	3,696	59,129	26,307	-	**102,917**
Decrease	(1,701)	(3,584)	(4,603)	(14,291)	-	**(24,179)**
Change in consolidation scope	(1,088)	(5,359)	(7,731)	(598)	-	**(14,776)**
Exchange differences	(33,530)	(3,473)	(157,376)	(11,229)	-	**(205,608)**
Reclassifications and similar changes	5		6	3	-	**14**
Depreciation at 31 December 2023	**310,465**	**21,371**	**1,141,415**	**125,263**	-	**1,598,514**
Net amount at 31 December 2023	**209,825**	**169,724**	**365,833**	**68,446**	**95,102**	**908,930**

See the section on accounting policies for the useful life criteria adopted by the Group.

At 31 December 2024, a total of EUR 105.3 million of property, plant and equipment (EUR 101.1 million at 31 December 2023) was pledged as collateral for bank loans totalling a residual EUR 106.1 million at the reporting date (EUR 120.7 million at 31 December 2023).

As of 31 December 2024, there were no contractual commitments in place for the purchase of property, plant and equipment, as of 31 December 2023. No financial expenses were capitalised in 2024, nor in 2023.

The increases in the period mainly concern investments to improve the efficiency of the plants, aimed at reducing the consumption of electricity, fuel and raw materials, as well as other investments to increase grinding or storage capacity and improve material transfer logistics within the plants. Investments in sustainability are also included to increase the use of alternative fuels compared to traditional ones and projects for new cement silos. The most significant investment concerns the modernisation of the Belgian plant kiln, to increase the use of alternative fuels from the current 40% to over 70% and the reactivation of the second clinker production furnace in Egypt. Lastly, investments accounted for under IFRS 16 relating to the renewal of cement, ready-mixed concrete and aggregate transport and distribution vehicles and certain cement terminals are also significant.

4) Investment property

Investment property amounting to EUR 116,815 thousand (EUR 87,585 thousand at 31 December 2023) are exposed at fair value.

(EUR'000)	31.12.2024			31.12.2023		
	Land	Buildings	Total	Land	Buildings	Total
Opening balance	**67,809**	**19,776**	**87,585**	**65,506**	**20,720**	**86,226**
Hyperinflation adjustment in respect of Türkiye	26,303	1,432	27,735	23,053	550	**23,603**
Increase	-	-	**-**	-	-	**-**
Decrease	(4,053)	-	**(4,053)**	(2,573)	(545)	**(3,118)**
Fair value gains (losses)	15,606	(2,241)	**13,365**	7,425	244	**7,669**
Exchange differences	(7,581)	(236)	**(7,817)**	(25,602)	(1,193)	**(26,795)**
Reclassifications	-	-	**-**	-	-	**-**
Closing balance	**98,084**	**18,731**	**116,815**	**67,809**	**19,776**	**87,585**

At 31 December 2024, the investment property mainly included land and buildings of the Cimentas Group for EUR 100.1 million (EUR 66.8 million at 31 December 2023).

At 31 December 2024, the change in fair value mainly includes the revaluation of properties in Türkiye for approximately EUR 15 million. The decrease in the fair value is totally related to the property in Torrespaccata (Rome), which decreased against the previous year by EUR 2,2 million due to the decrease in market prices of commercial buildings in 2024.

The value of the Investment property is not pledged for any sum as collateral as the bank debt related to the property was repaid in December 2024.

The fair value of investment property was determined at the end of each period by independent property assessors who meet professionalism requirements, bearing in mind mainly the prices of other similar assets recently involved in transactions or currently offered on the same market. Refer to note 33) for information on fair value.

5) Equity-accounted investments

The item includes the Group's share of equity in equity-accounted associates and joint ventures. The carrying amount of these investments and the Group's share of the investees' profit or loss are shown below:

31.12.2024

(EUR'000)

Companies	Business	Registered office	% owned	Carrying amount	Share of profit or loss
ECOL Unicon Spzoo	Ready-mixed concrete	Gdańsk (Poland)	49%	4,768	680
ÅGAB Syd Aktiebolag	Aggregates	Svedala (Sweden)	40%	2,274	205
Recybel	Other	Liège-Flémalle (Belgium)	25.5%	143	-
NB Beton Aps	Ready-mixed concrete	Denmark	49%	2,951	269
Total				**10,136**	**1,154**

31.12.2023

(EUR'000)

Companies	Business	Registered office	% owned	Carrying amount	Share of profit or loss
ECOL Unicon Spzoo	Ready-mixed concrete	Gdańsk (Poland)	49%	4,249	607
ÅGAB Syd Aktiebolag	Aggregates	Svedala (Sweden)	40%	2,137	165
Recybel	Other	Liège-Flémalle (Belgium)	25.5%	143	-
Total				**6,529**	**772**

No indicators of impairment were identified for these investments.

6) Other investments

(EUR'000)	31.12.2024	31.12.2023
Available-for-sale equity investments Opening balance	**352**	**351**
Hyperinflation adjustment in respect of Türkiye	45	45
Increase (decrease)	-	-
Fair value gains (losses)	-	-
Change in consolidation scope	-	-
Reclassifications to assets held for sale	-	-
Exchange differences	(13)	(44)
Reclassifications - Recybel	-	-
Available-for-sale equity investments Closing balance	**384**	**352**

No indicators of impairment were identified.

7) Inventories

The breakdown of inventories is shown below:

(EUR'000)	31.12.2024	31.12.2023
Raw materials, consumables and supplies	114,125	120,900
Work in progress	57,697	57,541
Finished goods	55,695	51,726
Advances	618	593
Inventories	**228,135**	**230,760**

Changes were recorded over the period in the different inventory categories as a result of manufacturing processes and sales, the costs of the raw materials used for production and the foreign exchange rates used to translate financial statements stated in foreign currencies.

The change in raw materials, consumables and supplies, negative for EUR 6,775 thousand (negative for EUR 240 thousand at 31 December 2023) was expensed in the income statement as “Raw materials costs” (Note 23). The positive change in work in progress and finished goods was recorded in the income statement for a total of EUR 156 thousand (31 December 2023: positive for EUR 11,671 thousand).

It should be noted that the net realisable value of the inventories is higher than the carrying amount.

8) Trade receivables

Trade receivables, net of related loss allowance, totalled EUR 181,786 (EUR 164,931 thousand at 31 December 2023) and break down as follows:

(EUR'000)		31.12.2024	31.12.2023
Trade receivables		183,010	164,936
Loss allowance		(2,840)	(3,411)
Net trade receivables		**180,170**	**161,525**
Advances to suppliers		1,476	3,334
Trade receivables - related parties	(note 34)	140	72
Trade receivables		**181,786**	**164,931**

The carrying amount of trade receivables equals their fair value; They arise on commercial transactions for the sale of goods and services and do not present any significant concentration risks.

In Türkiye, received collaterals amount to EUR 62.4 million at 31 December 2024 (EUR 35.1 million at 31 December 2023).

The increase in trade receivables compared to 31 December 2023 is mainly attributable to an increase in revenues in the last period of the year.

The breakdown by due date is shown below:

(EUR'000)	31.12.2024	31.12.2023
Not yet due	162,576	147,075
Overdue:	20,434	17,861
0-30 days	*16,051*	*12,871*
30-60 days	*2,900*	*2,990*
60-90 days	*405*	*486*
More than 90 days	*1,078*	*1,514*
Total trade receivables	183,010	164,936
Loss allowance	(2,840)	(3,411)
Net trade receivables	**180,170**	**161,525**

9) Current and non-current financial assets

Non-current financial assets totalled EUR 529 thousand (EUR 125 thousand at 31 December 2023).

Current financial assets totalled EUR 17,635 thousand (EUR 45,334 thousand 31 December 2023) and break down as follows:

(EUR'000)		31.12.2024	31.12.2023
Fair value of derivatives		-	5,539
Accrued income/ Prepayments		234	844
Loan assets - related parties	(note 34)	446	450
Other financial receivables		16,955	38,501
Current financial assets		**17,635**	**45,334**

Other financial receivables mainly include investments by Aalborg Portland A/S.

10) Current tax assets

Current tax assets, amounting to EUR 13,280 thousand (EUR 5,326 thousand at 31 December 2023) mainly refer, for approximately EUR 8.9 million, to the receivables from the revenue office for IRES and IRAP advances paid to the receivable relating to the request for reimbursement due to lower royalties related to the so-called Mutual Agreement Procedure (MAP).

11) Other current and non-current assets

Other non-current assets totalled EUR 402 thousand (EUR 569 thousand at 31 December 2023) and mainly consisted of deposits.

Other current assets totalled EUR 26,385 thousand (EUR 20,301 thousand at 31 December 2023) and consisted of non-commercial items. The item breaks down as follows:

(EUR'000)	31.12.2024	31.12.2023
VAT assets	13,905	8,101
Personnel	1,402	886
Accrued income	250	342
Prepayments	3,671	4,381
Other receivables	7,156	6,591
Other current assets	**26,385**	**20,301**

12) Cash and cash equivalents

Totalling EUR 485,603 thousand (EUR 412,391 thousand at 31 December 2023), the item consists of liquidity held by the Group, which is usually invested in remunerated short-term deposits:

(EUR'000)		31.12.2024	31.12.2023
Bank and postal deposits		484,678	412,276
Bank deposits - related parties	(note 34)	-	-
Cash-in-hand and cash equivalents		925	115
Cash and cash equivalents		**485,603**	**412,391**

For further details please refer to the consolidated statement of cash flows.

13) Equity

Equity attributable to the owners of the parent

Equity attributable to the owners of the parent amounted to EUR 1,717,031 thousand at 31 December 2024 (EUR 1,503,064 thousand at 31 December 2023). Profit for 2024 attributable to the owners of the parent totalled EUR 201,640 thousand (EUR 201,364 thousand in 2023).

Share capital

The Parent's share capital consists of 159,120,000 ordinary shares with a par value of EUR 1 each. It is fully paid up and has not changed with respect to the previous year end. There are no pledges or restrictions on the shares.

Other reserves

Treasury shares

The number of treasury shares held following the completion of the share buy-back programme (the "Programme") in October 2021 has not changed.

It should be noted that under the Programme, between 15 October 2020 and 12 October 2021 (ends included), 3,600,000 treasury shares, equal to 2.2624% of the share capital, were purchased on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. at a weighted average price of EUR 8.1432 per share and for a total outlay of EUR 29,315 thousand.

Translation reserve

At 31 December 2024, the translation reserve had a negative balance of EUR 980,058 thousand (negative EUR 890,853 thousand at 31 December 2023), broken down as follows:

(EUR'000)	31.12.2024	31.12.2023	Change
Türkiye (Turkish lira – TRY)	(810,355)	(775,533)	(34,822)
USA (US dollar – USD)	12,009	6,245	5,764
Egypt (Egyptian pound – EGP)	(160,655)	(100,367)	(60,288)
Iceland (Icelandic krona – ISK)	(2,664)	(2,906)	242
China (Chinese renminbi yuan – CNY)	10,491	8,339	2,152
Norway (Norwegian krone – NOK)	(9,648)	(8,759)	(889)
Sweden (Swedish krona – SEK)	(2,289)	(1,941)	(348)
Other countries	(16,948)	(15,931)	(1,017)
Total translation reserve - attributable to Group	**(980,058)**	**(890,853)**	**(89,205)**

The main changes of the period are related to both Turkish lira and Egyptian pound devaluation against Euro

Dividends

During the year, the 2023 dividend was distributed to shareholders in the amount of EUR 0.28 per ordinary share, for a total amount of EUR 43,546,000, net of treasury shares.

Equity attributable to non-controlling interests

Equity attributable to non-controlling interests amounted to EUR 139,353 thousand at 31 December 2024 (EUR 147,769 thousand at 31 December 2023). Profit for 2024 attributable to non-controlling interests totalled EUR 12,815 thousand (EUR 14,128 thousand in 2023). During the year, the group increased its holding of the subsidiary Sinai White Portland Cement Co. S.A.E. by acquiring 25.40% for a consideration of EUR 30 million; this transaction is expressed in the movement of Shareholders' Equity under "Minority interests in the acquisition of a subsidiary".

Capital management

The Board's policy is to maintain a strong capital base aiming to safeguard investor, creditor and market confidence and to sustain future development of the business. Management manages the capital structure by constantly monitoring the evolution of Net Financial Debt/Position, Net Gearing Ratio and Equity Ratio. For this purpose, net financial debt is calculated as total financial liabilities (as shown in the statement of financial position) less cash and cash equivalents and current financial assets. Adjusted Equity comprises all components of equity other than amounts accumulated in the hedging and cost of hedging reserves.

Specifically, in the meeting of 11 February 2025, the Board of Directors of Cementir Holding NV approved the update of the Business Plan 2025 - 2027 with the aim of achieving a net cash position of over EUR 700 million at the end of the plan, deriving from cash generation of over EUR 400 million.

The following table highlights the financial indicators:

Ratio (EUR'000)	2024	2023
Total Financial Liabilities	212,803	240,115
- Less cash and cash equivalents and current financial assets	(503,239)	(457,725)
Net Financial Debt	**(290,436)**	**(217,610)**
Total Equity	1,856,384	1,650,833
- Hedging reserve	(1,896)	7,820
Adjusted Equity	1,854,488	1,658,653
Net Gearing Ratio (Net Financial Debt/Adjusted Equity)	**-15.66%**	**-13.12%**
Adjusted Equity	1,854,488	1,658,653
Total Assets	2,755,724	2,522,194
Equity ratio (Adjusted Equity/Total Assets)	**67.30%**	**65.76%**

The cost of borrowing is 5.59% of average debt in 2024 (5.66% in 2023).

The Group's Management monitors the performance of the Return on Equity calculated by dividing the Result from continuing operations by the Shareholders' Equity. This indicator is equal to 11.55% in 2024 (13.05% in 2023), thanks to the positive management performance.

Subsidiaries with material non-controlling interests

	Aalborg Portland Malaysia		AB Sydsten	
(EUR'000)	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Revenue	**50,221**	**54,208**	**47,550**	**46,037**
Profit for the year:	**2,467**	**4,117**	**2,525**	**733**
- attributable to the owners of the Parent	1,727	2,882	1,081	339
- attributable to non-controlling interests	740	1,235	1,444	394
Other comprehensive income (expense)	4,602	(4,026)	(954)	255
Comprehensive income (expense) for the year	**7,069**	**91**	**1,571**	**988**
Assets:	**76,644**	**70,391**	**48,347**	**46,936**
- Non-current assets	*25,585*	*25,179*	*21,861*	*22,230*
- Current assets	*51,059*	*45,212*	*26,486*	*24,706*
Liabilities:	**15,570**	**13,941**	**27,247**	**23,602**
- Non-current liabilities	*2,042*	*2,754*	*13,558*	*12,712*
- Current liabilities	*13,528*	*11,187*	*13,689*	*10,890*
Net assets	**61,074**	**56,450**	**21,100**	**23,334**
- attributable to the owners of the Parent	*42,752*	*39,520*	*9,991*	*11,048*
- attributable to non-controlling interests	*18,322*	*16,930*	*11,109*	*12,286*
Net change in cash flow	**8,156**	**5,686**	**8,941**	**5,102**
Dividends paid to third parties	**730**	**808**	**1,481**	**2,728**

(EUR'000)	Lehigh White Cement Company 31.12.2024	Lehigh White Cement Company 31.12.2023	Sinai White Portland Cement 31.12.2024	Sinai White Portland Cement 31.12.2023
Revenue	**160,927**	**159,621**	**46,264**	**50,255**
Profit for the year:	**9,011**	**10,477**	**30,341**	**21,889**
- attributable to the owners of the Parent	*5,970*	*6,627*	*23,413*	*15,566*
- attributable to non-controlling interests	*3,041*	*3,850*	*6,928*	*6,323*
Other comprehensive income (expense)	8,360	(4,585)	(24,806)	(21,975)
Comprehensive income (expense) for the year	**17,371**	**5,892**	**5,535**	**(86)**
Assets:	**315,320**	**304,667**	**97,911**	**118,510**
- Non-current assets	*172,307*	*171,079*	*17,003*	*18,440*
- Current assets	*143,013*	*133,588*	*80,908*	*100,070*
Liabilities:	**53,055**	**57,867**	**20,171**	**34,420**
- Non-current liabilities	*26,684*	*27,697*	*10,063*	*10,374*
- Current liabilities	*26,371*	*30,170*	*10,108*	*24,046*
Net assets	**262,265**	**246,800**	**77,740**	**84,090**
- attributable to the owners of the Parent	*165,856*	*156,076*	*75,027*	*64,245*
- attributable to non-controlling interests	*96,409*	*90,724*	*2,713*	*19,845*
Net change in cash flow	**20,980**	**25,035**	**6,059**	**18,228**
Dividends paid to third parties		**-**		**-**

14) Employee benefits

Employee benefits totalled EUR 25,941 thousand (EUR 22,807 thousand at 31 December 2023) and included provisions for employee benefits and post-employment benefits. Where conditions are met for their recognition, liabilities are also recognised for future commitments connected with medium/long-term incentive plans that will be paid to employees at the end of the plan period. The long-term incentive plan envisages the payment of a variable monetary reward, calculated on the basis of the gross annual salary of the beneficiary, which is tied to the achievement of the business and financial objectives in the Industrial Plans prepared and approved. It amounted to EUR 2,997 thousand at 31 December 2024 (EUR 3,063 thousand at 31 December 2023).

Liabilities for employee benefits, mainly in Türkiye, Belgium and Norway, are included in the defined benefit plans and are partly funded by insurance plans. In particular, plan assets refer to the pension plans in Belgium and Norway. Liabilities are valued applying actuarial methods and assets have been calculated based on the fair value at the reporting date. Post-employment benefits are an unfunded and fully provisioned liability recognised for benefits attributable to employees upon or after termination of employment. This liability is a defined contribution plan. The assumptions are summarised in the table below:

Values in %	31.12.2024	31.12.2023
Annual discount rate	2%-4%	2%-4%
Expected return on plan assets	2.5%	2.7%
Annual post-employment benefits growth rate	3.31%	3.31%

The amounts disclosed in the statement of financial position were determined as follows:

(EUR'000)	31.12.2024	31.12.2023
Liabilities for employee benefits	59,244	54,823
Fair value of plan assets	(36,299)	(35,079)
Employee benefits	**22,945**	**19,744**
Long-term incentive plan obligation	**2,997**	**3,063**
Total employee benefits	**25,942**	**22,807**

The tables below show changes in the net liabilities/(assets) for employee benefits and the related parts:

(EUR'000)	31.12.2024	31.12.2023
Liabilities for employee benefits opening balance	**54,823**	**56,795**
Current service cost	1,958	3,209
Interest cost	2,081	1,770
Net actuarial gains recognised in the year	3,794	(1,118)
Change in consolidation scope	-	-
Exchange differences	(469)	(1,867)
Other changes	-	-
(Benefits paid)	(2,943)	(3,966)
Liabilities for employee benefits closing balance	**59,244**	**54,823**

(EUR'000)	31.12.2024	31.12.2023
Fair value of plan assets opening balance	**35,079**	**32,936**
Financial income on plan assets	1,293	1,053
Net actuarial gains recognised in the year	-175	110
Change in consolidation scope	-	-
Exchange differences	(196)	(272)
Other changes	-	-
(Net benefits paid)	298	1,252
Fair value of plan assets closing balance	**36,299**	**35,079**

At 31 December 2024, the effect on the Defined Benefit plans in Belgium/France of a decrease or increase in the key assumptions, is shown below:

• Discount rate +50 bp: EUR -0.6 million;

• Discount rate -50 bp: EUR +0.7 million;

• Increase in healthcare costs + 1%: EUR 0.5 million

Regarding these plans, the life expectancy for an employee of 65 y.o. today:

• Belgium: M: 20.93 years / F: 24.58 years

• France: plans are related to payment during active life or at retirement so the information is not relevant.

Employer and employees' contribution 2024 related to pension plans in Belgium are:

• Employees' contribution: EUR 0.4 million

• Employer's contributions: EUR 1.4 million

Expected Employer contribution 2025 related to pension plans in Belgium are EUR 1.4 million.

Total weighted average duration of these Defined Benefit Obligation is 10 years.

15) Provisions

Non-current and current provisions amounted to EUR 25,322 thousand (EUR 25,484 thousand at 31 December 2023) and EUR 4,776 thousand (EUR 3,809 thousand at 31 December 2023) respectively.

(EUR'000)	Provision for quarry restoration	Litigation provision	Other provisions	Total provisions
Balance at 1 January 2024	**22,193**	**5,338**	**1,762**	**29,293**
Provisions	986	2,371	639	**3,996**
Utilisations	(2)	(1,606)	(629)	**(2,237)**
Decrease	(42)	(92)	(79)	**(213)**
Change in consolidation scope				**-**
Exchange differences	(307)	(294)	(26)	**(627)**
Reclassifications				-
Net actuarial gains recognised in the year				-
Other changes			(114)	**(114)**
Balance at 31 December 2024	**22,828**	**5,717**	**1,553**	**30,098**
Including:				
Non-current provisions	22,725	2,133	464	**25,322**
Current provisions	103	3,584	1,089	**4,776**

(EUR'000)	Provision for quarry restoration	Litigation provision	Other provisions	Total provisions
Balance at 1 January 2023	**23,750**	**9,650**	**3,406**	**36,806**
Provisions	168	2,938	496	**3,602**
Utilisations	(143)	(5,843)	(440)	**(6,426)**
Decrease	(145)	(353)	(54)	**(552)**
Change in consolidation scope	(1,050)		(1,633)	**(2,683)**
Exchange differences	(1,022)	(1,054)	31	**(2,045)**
Reclassifications				-
Net actuarial gains recognised in the year				**-**
Other changes	635		(44)	**591**
Balance at 31 December 2023	**22,193**	**5,338**	**1,762**	**29,293**
Including:				
Non-current provisions	22,086	2,689	709	**25,484**
Current provisions	107	2,649	1,053	**3,809**

The provision for quarry restoration is allocated for the cleaning and maintenance of quarries where raw materials are extracted, to be performed before the utilisation concession expires.

Other provisions mainly include the provision for risks for corporate restructuring charges of approximately EUR 0.3 million (EUR 0.6 million at 31 December 2023).

16) Trade payables

The carrying amount of trade payables approximates their fair value; the item breaks down as follows:

(EUR'000)		**31.12.2024**	**31.12.2023**
Suppliers		350,295	311,401
Related parties	(note 34)	270	287
Advances		11,543	8,366
Trade payables		**362,108**	**320,054**

17) Financial liabilities

Non-current and current financial liabilities are shown below:

(EUR'000)		**31.12.2024**	**31.12.2023**
Bank loans and borrowings	(note 33)	90,951	106,147
Lease liabilities	(note 31)	54,637	54,936
Lease liabilities - related parties	(note 34)	1,596	-
Fair value of derivatives	*(note 33.1)*	12,243	-
Financial debt - related parties		-	-
Non-current financial liabilities		**159,427**	**161,083**
Bank loans and borrowings		-	2
Current portion of non-current financial liabilities	(note 33.1)	15,117	40,638
Current loan liabilities - related parties	(note 34)	7	-
Current lease liabilities	(note 31)	33,258	26,242
Current lease liabilities - related parties	(note 34)	1,761	1,536
Other loan liabilities		935	155
Fair value of derivatives	*(note 33.1)*	2,298	10,459
Current financial liabilities		**53,376**	**79,032**
Total financial liabilities		**212,803**	**240,115**

The carrying amount of non-current and current financial liabilities approximates their fair value.

At 31 December 2024, the total financial exposure amounted to EUR 212.8 million (EUR 240.1 million at 31 December 2023), the change in debt of approximately EUR 27.3 million is mainly linked to the repayment of portions of loans and the change in the overall fair value of derivative instruments, negative for approximately EUR 14.5 million (negative for approximately EUR 10.5 million at 31 December 2023) which represents the valuation at 31 December 2024 of the derivatives put in place for the purposes of hedging changes in interest rates, commodities and exchange rates maturing between January 2025 and December 2025.

The Group's exposure, broken down by residual expiry of the financial liabilities, is as follows:

(EUR'000)	31.12.2024	31.12.2023
Within three months	20,972	20,001
Between three months and one year	32,404	59,031
Between one and two years	45,536	32,455
Between two and five years	67,790	74,028
After five years	46,101	54,600
Total financial liabilities	**212,803**	**240,115**

(EUR'000)	31.12.2024	31.12.2023
Floating rate	212,803	240,115
Fixed rate		
Financial liabilities	**212,803**	**240,115**

The following table shows the Net Financial Debt as at 31 December 2024 and 2023, calculated in accordance with paragraph 175 of the recommendations contained in ESMA 32-382-1138 of 4 March 2021:

(EUR'000)	31.12.2024	31.12.2023
A. Cash	925	115
B. Cash equivalents	484,678	412,276
C. Other current financial assets	17,635	45,334
D. Liquidity (A+B+C)	**503,238**	**457,725**
E. Current financial debt	(37,525)	(38,394)
F. Current portion of non-current financial debt	(15,851)	(40,638)
G. Current financial indebtedness (E+F)	**(53,376)**	**(79,032)**
H. Net current financial Intebtedness (G-D)	**449,863**	**378,693**
I. Non-current financial debt	(159,427)	(161,083)
J. Debt instruments	-	-
K. Non-current trade and other payables	-	-
L. Non-current financial indebtedness (I+J+K)	**(159,427)**	**(161,083)**
M. Total financial indebtedness (H+L)	**290,436**	**217,610**

18) Current tax liabilities

Current tax liabilities amounted to EUR 24,066 thousand (EUR 24,010 thousand at 31 December 2023) and relate to income tax liabilities, net of payments on account.

19) Other non-current and current liabilities

Other non-current liabilities totalled EUR 237 thousand (EUR 247 thousand at 31 December 2023).

Other current liabilities totalled EUR 71,637 thousand (EUR 74,825 thousand at 31 December 2023) and break down as follows:

(EUR'000)		31.12.2024	31.12.2023
Personnel		30,941	31,098
Social security institutions		3,587	3,824
Related parties	(note 34)	-	-
Deferred income		8	867
Accrued expenses		5,423	4,732
Other sundry liabilities		31,677	34,304
Other current liabilities		**71,636**	**74,825**

Other sundry liabilities mainly include payables to the revenue office for employee withholdings, VAT and other payables.

20) Deferred tax assets and liabilities

Deferred tax liabilities, amounting to EUR 172,450 thousand (EUR 160,009 thousand as of 31 December 2023), and deferred tax assets, amounting to EUR 41,694 thousand (EUR 46,127 thousand as of 31 December 2023), were determined as follows:

(EUR'000)	Deferred tax liabilities	Deferred tax assets
Balance at 1 January 2024	**160,009**	**46,127**
Hyperinflation adjustment in respect of Türkiye	15,233	(8,423)
Accrual, net of utilisation in profit or loss	634	3,493
Increase (decrease) in equity	(1,051)	(225)
Change in consolidation scope	491	-
Exchange differences	(5,513)	281
Other changes	2,647	441
Balance at 31 December 2024	**172,450**	**41,694**

(EUR'000)	Deferred tax liabilities	Deferred tax assets
Balance at 1 January 2023	**161,896**	**43,071**
Hyperinflation adjustment in respect of Türkiye	10,927	6,228
Accrual, net of utilisation in profit or loss	2,728	196
Increase (decrease) in equity	(36)	226
Change in consolidation scope	1	118
Exchange differences	(13,778)	(1,491)
Other changes	(1,729)	(1,985)
Balance at 31 December 2023	**160,009**	**46,127**

(EUR'000)	01.01.2024	Accrual, net of utilisation in profit or loss	Increase, net of decreases in equity	Change in consolidation scope	31.12.2024
Fiscally-driven depreciation of property, plant and equipment	75,898	(2,949)	(1,054)	2,256	74,151
Fiscally-driven amortisation of intangible assets	14,500	(840)	310	-	13,970
Revaluation of plant	6,939	2,650	(670)	-	8,919
Hyperinflation adjustment in respect of Türkiye	22,657	-	9,745	-	32,402
Other	40,015	4,715	(1,723)	-	43,008
Deferred tax liabilities	**160,009**	**3,576**	**6,608**	**2,256**	**172,450**
Tax losses carried forward	21,092	727	342	-	22,161
Provisions for risks and charges	1,795	(1,284)	530	-	1,041
Differences in property, plant and equipment	4,194	(6,466)	2,272	-	-
Hyperinflation adjustment in respect of Türkiye	-	-	-	-	-
Other	19,046	(921)	367	-	18,492
Deferred tax assets	**46,127**	**(7,944)**	**3,511**	**-**	**41,694**

(EUR'000)	01.01.2023	Accrual, net of utilisation in profit or loss	Increase, net of decreases in equity	Change in consolidation scope	31.12.2023
Fiscally-driven depreciation of property, plant and equipment	79,570	(5,419)	1,747	-	75,898
Fiscally-driven amortisation of intangible assets	16,470	(966)	(1,004)	-	14,500
Revaluation of plant	8,354	3,253	(4,668)	-	6,939
Hyperinflation adjustment in respect of Türkiye	19,182	(8,282)	11,757	-	22,657
Other	38,320	579	1,116	1	40,015
Deferred tax liabilities	**161,896**	**(10,835)**	**8,948**	**1**	**160,009**
Tax losses carried forward	22,721	(857)	(772)	-	21,092
Provisions for risks and charges	1,538	815	(558)	-	1,795
Differences in property, plant and equipment	7,359	-	(3,165)	-	4,194
Hyperinflation adjustment in respect of Türkiye	(10,186)	(7,340)	17,526	-	-
Other	21,639	239	(2,714)	(118)	19,046
Deferred tax assets	**43,071**	**(7,143)**	**10,317**	**(118)**	**46,127**

Recovery of the deferred tax assets is expected in the following years within the timeframe defined by the relevant legislation.

21) Revenue

(Euro '000)		2024	2023
Product sales		1,596,920	1,593,112
Product sales to related parties	(note 34)	71	476
Services and other recharges		89,952	100,659
Revenue		**1,686,943**	**1,694,247**

Group revenue reached EUR 1,686.9 million, down 0.4% compared to EUR 1,694.2 million in 2023. The contraction was widespread in all regions except for Türkiye and Sweden, influenced by lower volumes in some regions and the sharp depreciation of currencies in Türkiye and Egypt.

The caption Services and other charges is mainly related to transport services which are recognised at the time the service is provided.

Revenue by product broken down by related operating segments is shown below:

2024 (Euro '000)	**Nordic & Baltic**	**Belgium**	**North America**	**Türkiye**	**Egypt**	**Asia Pacific**	**Holding and Services**	Unallocated items and adjustments**	**CEMENTIR HOLDING GROUP**
Cement	430,282	174,951	162,180	267,794	46,264	104,406	-	*(54,040)*	**1,131,837**
Ready-mixed concrete	292,756	94,693	-	129,722	-	-	-	-	**517,171**
Aggregates	23,255	65,677	-	12,642	-	3,225	-	1,420	**106,219**
Waste	-	-	-	6,097	-	-	-	-	**6,097**
Other	-	-	19,103	23,867	-	-	148,596	*(24,233)*	**167,333**
Unallocated items and adjustments**	*(51,158)*	*(7)*	*1,420*	*(48,949)*	-	*(3,094)*	-	*(139,926)*	**(241,714)**
Revenue	**695,135**	**335,314**	**182,703**	**391,173**	**46,264**	**104,537**	**148,596**	**(216,779)**	**1,686,943**

2023 (Euro '000)	**Nordic & Baltic**	**Belgium**	**North America**	**Türkiye**	**Egypt**	**Asia Pacific**	**Holding and Services**	Unallocated items and adjustments**	**CEMENTIR HOLDING GROUP**
Cement	445,519	200,817	160,737	235,154	50,255	121,350	-	*(56,674)*	**1,157,158**
Ready-mixed concrete	295,735	98,203	-	92,072	-	-	-	-	**486,010**
Aggregates	25,267	60,853	-	7,077	-	2,926	-	-	**96,123**
Waste	-	-	-	6,602	-	-	-	-	**6,602**
Other	-	-	22,103	18,282	-	-	204,492	*(46,828)*	**198,049**
Unallocated items and adjustments**	*(47,960)*	-	-	*(34,155)*	-	*(2,836)*	-	*(164,744)*	**(249,695)**
Revenue	**718,561**	**359,873**	**182,840**	**325,032**	**50,255**	**121,440**	**204,492**	**(268,246)**	**1,694,247**

** Unallocated items and adjustments" mainly refers to infra-group transactions.

22) Increase for internal work and other income

Increase for internal work of EUR 921 thousand (EUR 1,085 thousand in 2023) refers to the capitalisation of costs of materials and personnel costs used in the realisation of property, plant and equipment and intangible fixed assets.

Other income

Other income of EUR 26,528 thousand (EUR 30,544 thousand in 2023) breaks down as follows:

(Euro '000)		2024	2023
Rent, lease and hires		1,735	914
Rent, lease and hires - related parties	(note 34)	114	135
Gains		791	12,140
Release of provision for risks		214	552
Insurance refunds		90	145
Revaluation of investment property	(note 4)	15,515	7,670
Other income		8,065	8,986
Other income from related parties	(note 34)	4	2
Other income		**26,528**	**30,544**

23) Raw materials costs

(Euro '000)	2024	2023
Raw materials and semi-finished products	375,144	367,396
Fuel	154,987	191,945
Electrical energy	114,644	131,125
Other materials	52,670	48,895
Change in raw materials, consumables and goods	11,003	(240)
Raw materials costs	**708,448**	**739,121**

The cost of raw materials amounted to EUR 708.4 million (EUR 739.1 million in 2023), down 4.0% mainly due to the combined effect of lower volumes in some areas and exchange rate developments, particularly in Türkiye.

24) Personnel costs

(Euro '000)	2024	2023
Wages and salaries	172,122	162,247
Social security charges	34,162	30,181
Other costs	8,908	10,697
Personnel costs	**215,192**	**203,125**

Pensions cost amount to EUR 951 thousand (EUR 858 thousand in 2023) and are included in other costs.

The Group's workforce breaks down as follows:

	31.12.2024	31.12.2023	Average 2024	Average 2023
Executives	53	53	55	54
Middle management, white-collar workers and intermediates	1,243	1,234	1,233	1,210
Blue-collar workers	1,786	1,758	1,778	1,830
Total	**3,082**	**3,045**	**3,066**	**3,094**

More specifically, as of 31 December 2024, employees in service at the Parent numbered 44 (40 at 31 December 2023); those at the Cimentas Group numbered 805 (763 at 31 December 2023), those at the Aalborg Portland Group numbered 1,133 (1,148 at 31 December 2023), those at the Unicon Group numbered 635 (627 at 31 December 2023), and those at the CCB Group numbered 465 (467 at 31 December 2023). The Group has no employees in the Netherlands.

25) Other operating costs

(Euro '000)		2024	2023
Transport		161,842	175,682
Services and maintenance		113,877	103,671
Consultancy		13,950	12,287
Insurance		5,190	4,743
Other services - related parties	(note 34)	450	492
Rent, lease and hires		10,619	10,891
Rent, lease and hires - related parties	(note 34)	224	168
Other costs		76,761	76,245
Other operating costs		**382,913**	**384,179**

26) Amortisation, depreciation, impairment losses and additions to provision

(Euro '000)	2024	2023
Amortisation	15,301	15,769
Depreciation	127,137	114,533
Provisions	2,798	2,326
Impairment losses	84	165
Amortisation, depreciation, impairment losses and provisions	**145,320**	**132,793**

Amortisation, depreciation, impairment losses and provisions include EUR 38.9 million (EUR 33.3 million in 2023) in amortisation of right of use assets in the application of the IFRS 16.

Impairment losses refer to trade receivables.

27) Net financial income (expense) and share of net profits of equity-accounted investees

The positive balance for 2024 of EUR 22,870 thousand (2023: positive EUR 12,381 thousand) relates to the share of net profits of equity-accounted investees and net financial income, broken down as follows:

(Euro '000)		2024	2023
Share of profits of equity-accounted investees		1,154	772
Share of losses of equity-accounted investees		-	-
Share of net profits of equity-accounted investees		**1,154**	**772**
Interest and financial income		24,539	11,709
Interest and financial income - related parties	(note 34)	14	34
Financial income on derivatives		3,064	5,687
Total financial income		27,617	*17,430*
Interest expense		(11,939)	(13,105)
Other financial expense		(5,441)	(3,416)
Interest and financial expense - related parties	(note 34)	(7)	-
Losses on derivatives		(5,073)	(952)
Total financial expense		*(22,460)*	*(17,473)*
Exchange rate gains		38,032	31,330
Exchange rate losses		(15,534)	(15,792)
Net exchange rate losses		*22,498*	*15,538*
Net income/(expense) from hyperinflation		*(5,939)*	*(3,886)*
Net financial income (expense)		**21,716**	**11,609**
Net financial income (expense) and share of net profits of equity-accounted investees		**22,870**	**12,381**

In 2024 the net result of financial management is positive for EUR 21.7 million compared to the previous year (positive for EUR 11.6 million in 2023) and includes net charges from hyperinflation of EUR 5.9 million (net charges for EUR 3.9 million in 2023), net financial charges for around EUR 7.2 million (EUR 4.8 million in 2023), net exchange income for EUR 22.5 million (EUR 15.5 million in 2023) and the effect of the valuation of derivatives.

Interest expense included EUR 4.9 million (EUR 2.6 million in 2023) thousand in interest on lease liabilities arising from the application of the IFRS 16 accounting standard.

Financial income and expense on derivatives mainly reflect the mark-to-market accounting of derivatives purchased to hedge currency and interest rate risks. In the light of the aforementioned measurements, there are not unrealised gains (around EUR 2.3 million at 31 December 2023) and around EUR 0.1 million (around EUR 0.4 million at 31 December 2023) are unrealised losses.

Regarding exchange gains (EUR 38.0 million) and losses (EUR 15.5 million), approximately EUR 28.1 million were unrealised gains (EUR 21.7 million in 2023) and approximately EUR 5.2 million were unrealised losses (EUR 6.2 million in 2023).

28) Income taxes

(Euro '000)	2024	2023
Current taxes	58,917	78,910
Deferred taxes	11,520	(3,692)
Income taxes	**70,437**	**75,218**

The following table shows the difference between the theoretical and effective tax expense:

(Euro '000)	2024	2023
Theoretical tax expense	**92,820**	**88,178**
Corporate Income Tax (IRES) according to Italian tax rate	**24%**	**24%**
Taxable permanent differences	3,611	6,105
Deductible permanent differences	(25,466)	(24,046)
Tax consolidation scheme	197	167
Other changes	(854)	4,800
Effective IRAP tax expense	128	18
Income taxes	**70,437**	**75,218**
Applicable tax rate for the year	**25%**	**26%**

29) Earnings per share

Basic earnings per share are calculated by dividing profit attributable to the owners of the Parent by the monthly weighted average number of ordinary shares outstanding in the year.

(Euro)	2024	2023
Profit attributable to the owners of the Parent (EUR '000)	201,640	201,364
Weighted average number of outstanding ordinary shares ('000)	155,520	155,520
Basic earnings per ordinary share	**1.297**	**1.295**
Diluted earnings per ordinary share	**1.297**	**1.295**

(Euro)	2024	2023
Profit attributable to the owners of the Parent (EUR '000)	201,640	201,364
Weighted average number of outstanding ordinary shares ('000)	155,520	155,520
Basic earnings per ordinary share from continuing operations	**1.297**	**1.295**
Diluted earnings per ordinary share from continuing operations	**1.297**	**1.295**

Diluted earnings per share equal the basic earnings per share as the only outstanding shares are the ordinary shares of Cementir Holding NV.

30) Other comprehensive expense

The following table gives a breakdown of other comprehensive expense, including and excluding the related tax effect:

(Euro '000)	2024			2023		
	Gross amount	Tax effect	Net amount	Gross amount	Tax effect	Net amount
Net actuarial gains (losses) on post-employment benefits	(3,142)	642	**(2,500)**	1,294	(326)	**968**
Foreign currency translation differences - foreign operations	(48,188)	-	**(48,188)**	(162,157)	-	**(162,157)**
Financial instruments	(9,716)	(17)	**(9,733)**	(3,381)	735	**(2,646)**
Total other comprehensive income (expense)	**(61,046)**	**625**	**(60,421)**	**(164,244)**	**409**	**(163,835)**

31) IFRS 16 Leases

The following table shows the impact of the application of IFRS 16 for the Group at 31 December 2024 and the related disclosures:

(Euro '000)	Land and buildings	Plant and equipment	Other	Total Right-of-use assets
Gross amount at 1 January 2024	**24,327**	**36,125**	**116,451**	**176,903**
Hyperinflation adjustment in respect of Türkiye	(86)	220	2,323	2,457
Increase	4,809	3,607	37,262	45,678
Decrease	(2,598)	(803)	(12,343)	(15,744)
Change in consolidation scope	-	-	-	-
Exchange differences	(194)	970	53	829
Reclassifications	(38)	288	(180)	70
Gross amount at 31 December 2024	**26,220**	**40,407**	**143,566**	**210,193**
Amortisation at 1 January 2024	**11,782**	**17,037**	**66,687**	**95,506**
Hyperinflation adjustment in respect of Türkiye	(121)	185	1,688	1,752
Amortisation	3,789	5,313	28,231	37,333
Decrease	(2,478)	(829)	(10,817)	(14,124)
Change in consolidation scope	-	-	-	-
Exchange differences	(125)	584	212	671
Reclassifications	(4)	-	(134)	(138)
Amortisation at 31 December 2024	**12,843**	**22,290**	**85,867**	**121,000**
Net amount at 31 December 2024	**13,377**	**18,117**	**57,699**	**89,193**

(Euro '000)	Land and buildings	Plant and equipment	Other	Total Right-of-use assets
Gross amount at 1 January 2023	**23,182**	**27,193**	**102,336**	**152,711**
Hyperinflation adjustment in respect of Türkiye	125	232	422	778
Increase	2,932	10,357	29,304	42,593
Decrease	(817)	(702)	(13,087)	(14,606)
Change in consolidation scope	(318)	-	(26)	(344)
Exchange differences	(790)	(955)	(3,576)	(5,321)
Reclassifications	13	-	1,078	1,091
Gross amount at 31 December 2023	**24,327**	**36,125**	**116,451**	**176,902**
Amortisation at 1 January 2023	**8,697**	**13,364**	**58,128**	**80,189**
Hyperinflation adjustment in respect of Türkiye	114	165	376	655
Amortisation	3,789	4,752	21,962	30,503
Decrease	(483)	(698)	(11,846)	(13,027)
Change in consolidation scope	(11)	-	(16)	(27)
Exchange differences	(336)	(546)	(1,920)	(2,802)
Reclassifications	12	-	3	15
Amortisation at 31 December 2023	**11,782**	**17,037**	**66,687**	**95,506**
Net amount at 31 December 2023	**12,545**	**19,088**	**49,764**	**81,396**

As of 31 December 2024, right-of-use assets reached EUR 89,193 thousand (EUR 81,396 thousand as of 31 December 2023) and the "Other" category equal to EUR 57.7 million (EUR 49.8 million as of 31 December 2023) mainly included lease contracts for vehicles and means of transport for EUR 56.0 million (EUR 48.0 as of 31 December 2023).

The Group's exposure, broken down by expiry of the lease liabilities, is as follows:

(Euro '000)	31.12.2024	31.12.2023
Within three months	8,167	6,540
Between three months and one year	22,507	17,830
Between one and two years	20,079	13,840
Between two and five years	31,516	15,443
After five years	6,898	5,202
Total undiscounted lease liabilities at December 31	**89,167**	**58,855**

Current and non-current lease liabilities are shown below:

(Euro ‘000)	31.12.2024	31.12.2023
Non-current lease liabilities	54,637	54,937
Non-current lease liabilities - related parties (note 34)	1,596	
Non-current lease liabilities	**56,233**	**54,937**
Current lease liabilities	33,258	26,242
Current lease liabilities - related parties (note 34)	1,761	1,536
Current lease liabilities	**35,019**	**27,778**
Total lease liabilities	**91,252**	**82,715**

Amounts recognised in the consolidated income statement

(Euro ‘000)		2024	2023
Depreciation	(note 26)	38,929	33,328
Interest expense on lease liabilities		4,863	2,625
Short-term lease costs		3,259	3,916
Costs of leases of low-value assets		232	119

Amounts recognised in the cash flow statement

(Euro ‘000)	2024	2023
Total cash outflow for leases	36,587	32,738

32) Financial risks

Credit risk

The Group’s maximum exposure to credit risk at 31 December 2024 equals the carrying amount of loans and receivables recognised in the statement of financial position.

Management of the credit risks is based on internal credit limits, which are based on the customer's and the counterparties' creditworthiness, based on both internal and external credit ratings as well as the Group’s experience with the counterparty. If no satisfactory guarantee is obtained when credit rating the customer/counterparty, payment in advance or separate guarantee for the sale, e.g. a bank guarantee, will be required.

Given the sector’s collection times and the Group’s procedures for assessing customers’ creditworthiness, the percentage of disputed receivables is low. If an individual credit position shows irregular payment trends, the Group blocks further supplies and takes steps to recover the outstanding amount.

Due to the market situation, the Group has in recent years increased the resources used on follow-up on customers, which contributes to early warnings of possible risks. Historically the Group has had relatively small losses due to customers’ or counterparties’ inability to pay.

Recoverability is assessed considering any collateral pledged that legally can be attached and advice from legal advisors who oversee collection procedures. The Group impairs all receivables for which a loss is probable at the reporting date, based on whether the entire amount or a part thereof will not be recovered.

The credit risk limit of financial assets corresponds to the values recognised on the balance sheet.

No individual customer or co-operator poses any material risk to the Group.

With respect to bank deposits and derivatives, the Group has always worked with leading counterparties, thus limiting its credit risk in this sense.

Notes 8 and 11 provide information on trade and other receivables.

At 31 December 2024 the break down by Region of Net trade receivables, as follows:

(Eur '000)	**31.12.2024**	**31.12.2023**
Nordic & Baltic	28,050	25,758
Belgium	44,995	51,997
North America	18,718	19,413
Türkiye	73,707	51,041
Egypt	1,591	1,421
Asia Pacific	8,509	6,903
Italy	4,600	4,992
Total	**180,170**	**161,525**

In Nordic and Baltic Region, receivables are attributable to Danish customers and export customers characterised as medium-sized and major customers. The Group is familiar with the Danish customers, who have not been granted long credit lines. Experience shows that export customers pose a low credit risk.

Regarding ready-mixed concrete and aggregates business, the Group's customers primarily consist of contractors, builders and other customers posing a higher credit risk.

In North America, Asia Pacific and Egypt, activities are attributable to minor local customers and medium-sized to major customers on a global scale. Credits are granted in accordance with usual, local trading terms. Credit rating is applied to some types of customers, but experience shows that customers in Overseas pose a low credit risk.

In Türkiye, there are both dealers and end users (contractors and other customers) within both the ready-mixed concrete, cement and waste business. All customers are generally required to provide guarantees for deliveries unless the management has assessed that there are no significant risks associated with selling to that customer. Received collaterals amount to EUR 62.4 million as of 31 December 2024 (EUR 35.1 million at 31 December 2023).

Liquidity risk

The Group has credit facilities which cover any unforeseen requirements.

Note 17 Financial Liabilities provides a breakdown of financial liabilities by due date.

Market risk

Information necessary to assess the nature and scope of financial risks at the reporting date is provided in this section.

Currency risk

The Group is exposed to the risk of fluctuations in exchange rates, which may affect its earnings performance and equity.

With respect to the main effects of consolidating foreign companies, if the exchange rates for the Turkish lira (TRY), Norwegian krone (NOK), Swedish krona (SEK), US dollar (USD), Chinese renminbi yuan (CNY), Malaysian ringgit (MYR) and Egyptian pound (EGP) were an average 10% below the effective exchange rate, the translation of equity at 31 December 2024 would have generated a decrease of EUR 85 million equal to about 5.2% on consolidated equity (reduction of EUR 74 million equal to about 4.5% as at 31 December 2023). The currency with the greatest impact is the Turkish lira (TRY), EUR 41 million. Additional currency risks from the consolidation of the other foreign companies are to be considered insignificant.

The Group is mainly exposed to currency risk in relation to EBIT from sales and purchases in USD, PLN, SEK, NOK and CNY. A hypothetical 10% decrease in all these exchange rates (excluding the DKK) would have generated a reduction in EBITDA EUR 2.7 million (USD equal to EUR 0.3 million, PLN equal to EUR 2 million, SEK equal to EUR 0.4 million, NOK equal to EUR 2.1 million and CNY equal to EUR -2.7 million) (2023 EUR 2.8 million of which: USD amounted to EUR -2.5 million, PLN amounted to EUR 2.3 million, SEK amounted to EUR 0.1 million, NOK amounted to EUR 2.8 million and CNY amounted to EUR 0.2 million).

The Group entered into a swap agreement (hedge accounting) with a termination date in 2030, October, where both currency risk and interest risk have been hedged. Related to the interest risk the Group has agreed to pay a fixed rate of 4.06% and the Group will receive EURIBOR - a spread of 0.04% each 30 April and 31 October until maturity. The effective part of the hedge is equal to all future cash flow payments and nominal instalments.

The fair value liability is included in a separate line item in the balance sheet "Derivatives financial instruments”. The ineffective part is recognised as financial income.

2024	Notional amount	Maturity			Strike	Fair value liability	Change in fair value recognised in hedge reserve	Ineffective part recognised in income statement
EURm		< 1 year	1-5 years	> 5 years				
Swap USD/EUR	64.2	6.4	26.0	31.8	1,00 EUR/ 1,235 USD	-12.2	-1.6	0.8

2023	Notional amount	Maturity			Strike	Fair value liability	Change in fair value recognised in hedge reserve	Ineffective part recognised in income statement
EURm		< 1 year	1-5 years	> 5 years				
Swap USD/EUR	66.6	66.6	0.0	0.0	1,00 EUR/ 1,235 USD	-5.1	-1.9	-1.5

As of 31 December 2024, risks connected with main receivables and payables in foreign currency related to those in TRY, DKK, NOK, SEK, USD and GBP; assuming an average drop of 10% in all the exchange rates, the potential effect of the fluctuation, excluding the DKK, would be negative for approximately EUR 1 million (31 December 2023: negative for approximately EUR 0.8 million). Similarly, a hypothetical increase in exchange rates would have an identical positive effect.

Interest rate risk

The Group is exposed to the risk of fluctuations in interest rates. The consolidated net financial position at 31 December 2024 was positive for EUR 290.4 million (31 December 2023 was positive for EUR 217.6 million Euro); outstanding financing facilities are settled at floating rates as are liquidity uses.

With regard to the variable rate of loans and cash and cash equivalents, an annual increase in interest rates, on all currencies in which the debt is contracted,equal to 1%, on all currencies in which the debt is contracted, equal to 1%, other variables being equal, would have a positive impact on pre-tax income of EUR 2.5 million (31 December 2023 of EUR 1.6 million) and on equity of EUR 2 million (31 December 2023 of EUR 1.3 million). A decrease in interest rates of the same level would have had no impact.

Raw materials price risk

The Group uses a range of raw materials for production purposes, which expose it to price risk, especially for fuel and energy. The Group enters into contracts with defined price conditions for certain raw materials. The market value of swap contracts open at 31 December is as follows:

(EUR million)	2024	2023
Market value - swap contract	(0.2)	(1.4)

33) Fair value hierarchy

IFRS 13 requires that assets and liabilities carried at fair value be classified using a hierarchy which reflects the sources of the inputs used to measure their fair value. The hierarchy consists of the following levels:

- Level 1: measurement of fair value using quoted prices on active markets for identical assets or liabilities.

- Level 2: measurement of fair value using inputs other than the quoted prices included within Level 1 which are directly observable (such as prices) or indirectly observable (i.e., derived from prices) on the market.

- Level 3: measurement of fair value using inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of assets and liabilities is classified as follows:

31 December 2024	Note	Level 1	Level 2	Level 3	Total
(Eur ‘000)					
Investment property	4	-	100,140	16,675	**116,815**
Current financial assets (derivative instruments)	9	-	0	0	**0**
Total assets		**-**	**100,140**	**16,675**	**116,815**
Non current financial liabilities (derivative instruments)	17	-	(12,243)	-	**(12,243)**
Current financial liabilities (derivative instruments)	17	-	(2,298)	-	**(2,298)**
Total liabilities		**-**	**(14,541)**	**-**	**(14,541)**

31 December 2023	Note	Level 1	Level 2	Level 3	Total
(Eur ‘000)					
Investment property	4	-	66,760	20,825	**87,585**
Current financial assets (derivative instruments)	9	-	5,539	0	**5,539**
Total assets		**-**	**72,299**	**20,825**	**93,124**
Non current financial liabilities (derivative instruments)	17	-		-	
Current financial liabilities (derivative instruments)	17	-	(10,459)	-	**(10,459)**
Total liabilities		**-**	**(10,459)**	**-**	**(10,459)**

No transfers among the levels took place during 2024 and no changes in level 3 were made.

Investment property classified in Level 3 of the fair value hierarchy refers to assets held by Italian companies. For this type of asset, the fair value was determined using the following methodologies commonly accepted in the valuation practice:

- Synthetic - comparative method, on the basis of which the fair value of the asset is determined by referring to the unit market value (€/m2) multiplied by the surface of the asset;
- Direct capitalisation method, according to which the fair value of the asset is determined by dividing the annual income by a capitalisation rate.

33.1) Financial instruments - Fair value and risk management

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2024		Carrying amount			Fair value
(Eur ‘000)	Note	Fair value – hedging instruments	Financial assets/ liabilities	Other financial liabilities	Level 2
Commodity futures	9	0	0	0	0
Interest rate swap	9	0	0	0	0
Forwards	9	0	0	0	0
Cross Currency Swap	9	0	0	0	0
Financial assets measured at fair value		**0**	**-**	**-**	**0**
Trade and other receivables	8-11		208,171		
Cash and cash equivalents	12		485,603		
Financial assets not measured at fair value		**-**	**693,774**	**-**	**-**
Interest rate swap	17	-			-
Cross Currency Swap	17	12,243			12,243
Forwards	17	2,161			2,161
Commodity swap	17	138			138
Financial liabilities measured at fair value		**14,542**	**-**	**-**	**14,542**
Bank loans and borrowing	17		90,951		
Bank overdrafts	17		-		
Current loan liabilities	17		16,048		
Other loan liabilities	17			11	
Financial liabilities not measured at fair value		**-**	**106,999**	**11**	**-**

31 December 2023		Carrying amount			Fair value
(Eur '000)	Note	Fair value – hedging instruments	Financial assets/ liabilities	Other financial liabilities	Level 2
Commodity futures	9	1,254			1,254
Interest rate swap	9	315			315
Forwards	9	457			457
Cross Currency Swap	9	3,513			3,513
Financial assets measured at fair value		**5,539**	**-**	**-**	**5,539**
Trade and other receivables	8-11		185,232		
Cash and cash equivalents	12		412,391		
Financial assets not measured at fair value		**-**	**597,623**	**-**	**-**
Interest rate swap	17	-			-
Cross Currency Swap	17	8,616			8,616
Forwards	17	251			251
Commodity swap	17	1,593			1,593
Financial liabilities measured at fair value		**10,460**	**-**	**-**	**10,460**
Bank loans and borrowing	17		106,147		
Bank overdrafts	17		2		
Current loan liabilities	17		40,638		
Other loan liabilities	17			184	
Financial liabilities not measured at fair value		**-**	**146,787**	**184**	**-**

34) Related party transactions

Transactions performed by group companies with related parties are part of normal business operations and take place at arm's-length conditions. No atypical or unusual transactions took place. The following tables show the value of related party transactions:

31 December 2024 (Eur '000)	**Ultimate Parent**	**Associates**	**Companies under common control**	**Other related parties**	**Total related parties**	Total financial statements	% of item
Statement of financial position							
Non-current financial assets	-	-	404	-	**404**	**529**	76.4%
Current financial assets	-	-	446	-	**446**	**17,635**	2.5%
Trade receivables	130	-	10	-	**140**	**181,786**	0.1%
Trade payables	225	-	45	-	**270**	**362,108**	0.1%
Other non-current liabilities	-	-	-	-	**-**	**237**	0.0%
Other current liabilities	-	-	-	-	**-**	**71,637**	0.0%
Non-current financial liabilities	-	-	1,596	-	**1,596**	**159,427**	1.0%
Current financial liabilities	-	-	1,768	-	**1,768**	**53,376**	3.3%
Income statement							
Revenue	-	-	71	-	**71**	**1,686,943**	0.0%
Other operating revenue	-	-	118	-	**118**	**26,528**	0.4%
Other operating costs	450	-	314	-	**764**	**382,913**	0.2%
Financial income	-	-	14	-	**14**	**27,617**	0.1%
Financial expense	-	-	7	-	**7**	**22,460**	0.0%

31 December 2023 (Eur '000)	**Ultimate Parent**	**Associates**	**Companies under common control**	**Other related parties**	**Total related parties**	Total financial statements	% of item
Statement of financial position							
Non-current financial assets	-	-	-	-	**-**	**125**	0.0%
Current financial assets	-	-	450	-	**450**	**45,334**	1.0%
Trade receivables	30	-	41	-	**71**	**164,931**	0.0%
Trade payables	225	-	62	-	**287**	**320,054**	0.1%
Other non-current liabilities	-	-	-	-	**-**	**247**	0.0%
Other current liabilities	-	-	-	-	**-**	**74,825**	0.0%
Non-current financial liabilities	-	-	-	-	**-**	**161,083**	0.0%
Current financial liabilities	-	-	1,536	-	**1,536**	**79,032**	1.9%
Income statement							
Revenue	-	-	476	-	**476**	**1,694,247**	0.0%
Other operating revenue	-	-	137	-	**137**	**30,544**	0.4%
Other operating costs	450	-	302	-	**752**	**384,179**	0.2%
Financial income	-	-	34	-	**34**	**17,430**	0.2%
Financial expense	-	-	-	-	**-**	**17,473**	0.0%

The main related-party transactions are summarised below.

Business transactions with associates concern the sale of products and semi-finished products (cement and clinkers) at arm's-length conditions. Revenue and costs connected with business transactions with the ultimate Parent and companies under common control include various services, such as leases.

The Group did not grant loans to directors or key management personnel during the reporting period and did not have loan assets due from them at 31 December 2024.

As of 31 December 2024, fees due to directors and key management personnel stood at EUR 14,601 thousand.

Compensation paid to directors in financial year 2024 amounted to EUR 7,806 thousand, as shown in the following table:

(Eur '000)	2024	2023
Fixed Remueration	1,957	1,972
Compensation for participation in committees	149	146
Variable Compensation	5,422	4,367
Non monetary benefits	18	19
Other fees	260	260
Total	**7,806**	**6,764**

Compensation paid to key management personnel, amounted to EUR 6,795 thousand (EUR 6,279 thousand in 2023) and included EUR 4,358 thousand for fixed remuneration (EUR 3,999 thousand in 2023) and EUR 1,948 thousand for variable remuneration (EUR 1,787 thousand in 2023). The amount of EUR 488 thousand related to non-monetary benefits (EUR 493 thousand in 2023). The variable compensation has not been paid as of 31 December 2024.

Further information on remuneration has been included in the Remuneration Report.

35) Business acquisitions and disposals

The following is a brief description of the acquisition realised during the year 2024, which expanded the Group's scope of consolidation.

Acquisition of the assets of NB Beton v/Niels Brauner

In 2024, Unicon Denmark A/S entered into a contract for the acquisition of a business unit, relating to RMC's production plant in Denmark called Skovby NB. The contract was completed on 12 April 2024. The consideration paid for the acquisition amounted to EUR 15.3 million (DKK 114 million). The consideration was paid through cash.

For the period between the date of acquisition and 31 December 2024, in light of the fact that the company is a small business, no significant impact on the group's results has been recognised.

As required by IFRS 3, the assets acquired and liabilities assumed were measured for the determination of fair value, the value of which was included in the value of the equity investment. Since the "Purchase Price Allocation" exercise, carried out with the support of an external consultant, no assets and/or liabilities subject to fair value adjustment have been identified and therefore the spread between the price paid and net assets acquired (equal to EUR 1.7 million) has been fully allocated to Goodwill; this value was therefore accounted for as an increase in the investment value.

Acquisition of 49% of NB Beton ApS

In 2024 Unicon A/S signed the contract for the acquisition of a minority stake, equal to 49%, in NB Beton, a company that owns a concrete quarry in Denmark. The above-mentioned contract was finalised on 12 April 2024. The consideration paid for the acquisition amounted to EUR 2.7 million (DKK 20 million). The consideration was paid through cash.

For the period between the date of acquisition and 31 December 2024, in light of the fact that the company is a small business, no significant impact on the group's results has been recognised.

During the year, with the support of an external consultant, the Company completed the “Purchase Price Allocation” process. The assets acquired and liabilities assumed were measured for their recognition at fair value, determined as shown in the table below:

(EUR'000)	Carrying amount at the date of acquisition	Purchase price allocation at date of acquisition	Fair Value at the date of acquisition
Intangible assets with a finite useful life	-	2,232	2,232
Property, plant and equipment	4,553	-	4,533
Inventories	79	-	79
Current tax assets	-	-	-
Other current assets	-	-	-
Other current liabilities	(382)	-	(382)
Non-current provisions	-	-	-
Income taxes tax liabilities	-	(491)	(491)
Identifiable net assets acquired (A)	**4,250**	**1,741**	**5,971**
Acquisition fee (B)			15,281
Goodwill (B) - (A)			**9,291**

The net cash flow deriving from the acquisition is shown in the table below:

(EUR'000)	
Consideration paid as at 31 December 2024	(15,281)
Cash on the date of acquisition	-
Net cash flow as at 31 December 2024 deriving from the acquisition	**(15,281)**

Acquisition of Casa Bayan Sdn Bhd

On 13 October 2023, Aalborg Portland Holding A/S entered into a contract to acquire the entire share capital of Casa Bayan Sdn Bhd (“Casa Bayan”), a company that owns a quarry in Malaysia. The above-mentioned contract was finalised on 16 October 2023. The consideration paid for the acquisition amounted to EUR 5.9 million (MYR 30 million). The consideration was paid through cash.

During 2024, with the support of an external consultant, the Company completed the “Purchase Price Allocation” process.

The assets acquired and liabilities assumed were measured for their recognition at fair value and, in addition to the value of the latter, a higher value of the quarry of approximately EUR 7.5 million was recognised, determined as shown in the table below:

(EUR'000)	Carrying amount at the date of acquisition	Purchase price allocation at date of acquisition	Fair Value at the date of acquisition
Intangible assets with a finite useful life	15	-	15
Property, plant and equipment	165	7,356	7,521
of which Right of Use	*143*	*(143)*	-
Current tax assets	22	-	22
Other current assets	18	-	18
Cash and cash equivalents	0	-	0
Non-current provisions	(22)	-	(22)
Income taxes tax liabilities	(1)	(1,765)	(1,766)
Identifiable net assets acquired (A)	**197**	**5,591**	**5,788**
Acquisition fee (B)			6,028
Goodwill (B) - (A)			**240**

The net cash flow from the acquisition took effect in the financial statements as at 31 December 2023 without any changes during the year.

36) Off balance sheet assets and liabilities

Regarding charges and securities and contract commitments on property, plant and equipment refer to note 3.

Regarding pledge as collateral for banks loans refer to note 4.

37) Independent auditors' fees

Fees paid in 2024 by the Parent Cementir Holding N.V. and its subsidiaries to the independent auditors and their network totalled approximately 1,389 thousand (2023: EUR 1,386 thousand), including 1,035 thousand for audit services (2023: EUR 1,307 thousand) and 354 thousand for audit related services (2023: EUR 79 thousand).

The following fees were charged by PWC Accountants N.V. to the parent and its subsidiaries, as referred to in Section 2: 382a(1) and (2) of the Dutch Civil Code.

2024 (Eur '000)	PWC Accountants NV	Other PWC network	Non- PWC network	Total
Audit of the financial statement	145	890	-	**1,035**
Audit related services	118	236	-	**354**
Tax-related advisory services	-	-	-	**0**
Other non-audit services	-	-	-	**0**
Total fees	**263**	**1,126**	**0**	**1,389**

Audit related services are related to: limited assurance on sustainability statement for EUR 325 thousand, limited review of the interim financial information as of 30 June 2024 prepared for the Caltagirone Group Interim consolidated financial statements for EUR 19 thousand, and limited review of the Aalborg Portland Holding Interim financial information as of 30 June 2024 in view of dividend distribution for EUR 10 thousand.

38) Events after the reporting period

On 28 January 2025, the dispute brought on 29 January 2017 by Capital Market Board (CMB) was finally settled with the payment by the Holding in favour of Cimentas AS of the equivalent of EUR 6.9 milion.

On 11 February 2025, the Parent Company's Board of Directors approved the update of the 2025-2027 Business Plan, to whose press release please refer (www.cementirholding.com in the Investors, Press Releases section).

In February 2025, Cementir Holding was included for the first time in CDP's prestigious "A List", a recognition of strategies and actions implemented to mitigate climate change and promote corporate transparency. Cementir also maintained its leadership in water management by achieving a score of A- in CDP Water, for the third consecutive year.

No other significant events occurred after the year ended.

39) Other information

The Company is responsible for leading the defence in proceedings, of which it is not a party in accordance with the terms and conditions set out in a settlement agreement with Italcementi S.p.A., relating to the sale of the shares of Cementir Italia S.p.A. (today Cemitaly S.p.A.), Cementir Sacci S.p.A. (today Italsacci S.p.A.) and Betontir S.p.A., finalised on 2 January 2018.

Other legal disputes

The dispute brought on 29 January 2017 by Capital Market Board (CMB), the regulatory and supervisory body of the Turkish stock exchange, on behalf of Cimentas AS and against Cementir Holding before the Izmir Court, was settled definitively with the defendant's payment to Cimentas AS of the equivalent of EUR 6.9 million on 28 January 2025. Since this is a transaction between two Group companies, it has a neutral effect on the consolidated accounts.

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ANNEX

Annex 1

List of equity investments at 31 December 2024

Company name	Registered office	Share capital	Currency	Type of % Direct	Type of % Indirect	Investment held by Group companies	Method
Cementir Holding NV	Amsterdam (NL)	159,120,000	EUR			Parent	Line-by-line
Aalborg Cement Company Inc.	West Palm Beach (USA)	1,000	USD		100	Aalborg Portland US Inc	Line-by-line
Aalborg Portland Holding A/S	Aalborg (DK)	300,000,000	DKK		75 25	Cementir Espana SL Globocem SL	Line-by-line
Aalborg Portland A/S	Aalborg (DK)	100,000,000	DKK		100	Aalborg Portland Holding A/S	Line-by-line
Aalborg Portland Belgium SA	Gand (B)	500,000	EUR		100	Aalborg Portland A/S	Line-by-line
Aalborg Portland Digital Srl	Rome (I)	500,000	EUR		100	Aalborg Portland Holding A/S	Line-by-line
Aalborg Portland España SL	Madrid (E)	3,004	EUR		100	Aalborg Portland Holding A/S	Line-by-line
Aalborg Portland France SAS	Rochefort (FR)	10,010	EUR		100	Aalborg Portland A/S	Line-by-line
Aalborg Portland Islandì EHF	Kopavogur (IS)	303,000,000	ISK		100	Aalborg Portland A/S	Line-by-line
Aalborg Portland Malaysia Sdn Bhd	Perak (MAL)	95,400,000	MYR		70	Aalborg Portland Holding A/S	Line-by-line
Aalborg Portland Polska Spzoo	Warszawa (PL)	100,000	PLN		100	Aalborg Portland A/S	Line-by-line
Aalborg Portland US Inc	West Palm Beach (USA)	1,000	USD		100	Aalborg Portland Holding A/S	Line-by-line
Aalborg Portland (Anqing) Co Ltd	Anqing (CN)	265,200,000	CNY		100	Aalborg Portland Holding A/S	Line-by-line
Aalborg Portland (Australia) Pty Ltd	Brisbane (AUS)	1,000	AUD		100	Aalborg Portland Malaysia Sdn Bhd	Line-by-line
Aalborg Resources Sdn Bhd	Perak (MAL)	2,543,972	MYR		100	Aalborg Portland Malaysia Sdn Bhd	Line-by-line
AB Sydsten	Malmö (S)	15,000,000	SEK		50	Unicon A/S	Line-by-line
AGAB Syd Aktiebolag	Svedala (S)	500,000	SEK		40	AB Sydsten	Equity
Alfacem Srl	Rome (I)	1,010,000	EUR	99.99		Cementir Holding NV	Line-by-line
Basi 15 Srl	Rome (I)	400,000	EUR	100		Cementir Holding NV	Line-by-line
Casa Bayan Sdn Bhd	Perak (MAL)	250,000	MYR		100	Aalborg Portland Holding A/S	Line-by-line
Cementir Espana SL	Madrid (E)	3,007	EUR	100		Cementir Holding NV	Line-by-line
Cimbeton AS	Izmir (TR)	1,770,000	TRY		50.28 0.06	Cimentas AS Kars Cimento AS	Line-by-line
Cimentas AS	Izmir (TR)	87,112,463	TRY		96.69 0.12 0.48	Aalborg Portland España Cimbeton AS Kars Cimento AS	Line-by-line
Compagnie des Ciments Belges SA	Gaurain (B)	179,344,485	EUR		100	Aalborg Portland Holding A/S	Line-by-line
Compagnie des Ciments Belges France SAS (CCBF)	Villenueve d'Ascq (FR)	34,363,400	EUR		100	Compagnie des Ciments Belges SA	Line-by-line

Annex 1 *(cont'd)*

Company name	Registered office	Share capital	Currency	Type of % Direct	% Indirect	Investment held by Group companies	Method
Destek AS	Izmir (TR)	50,000	TRY		99.99	Cimentas AS	Line-by-line
					0.01	Cimentas Foundation	
ECOL Unicon Spzoo	Gdansk (PL)	1,000,000	PLN		49	Unicon A/S	Equity
Gaetano Cacciatore LLC	West Palm Beach (USA)	-	USD		100	Aalborg Cement Company Inc	Line-by-line
Globocem SL	Madrid (E)	3,007	EUR		100	Alfacem Srl	Line-by-line
Kars Cimento AS	Kars (TR)	513,162,416	TRY		41.55	Cimentas AS	Line-by-line
					58.45	Alfacem Srl	
Kudsk & Dahl A/S	Vojens (DK)	10,000,000	DKK		100	Unicon A/S	Line-by-line
Lehigh White Cement Company LLC	West Palm Beach (USA)	-	USD		24.52	Aalborg Cement Company Inc	Line-by-line
					38.73	White Cement Company LLC	
NB Beton ApS	Galten (DK)	400,000	DKK		49	Unicon A/S	Equity
Recybel SA	Liegi-Flemalle (B)	99,200	EUR		25.5	Compagnie des Ciments Belges SA	Equity
Recydia AS	Izmir (TR)	759,544,061	TRY		23.72	Cimentas AS	Line-by-line
					76.28	Aalborg Portland Holding	
Sinai White Portland Cement Co. SAE	Cairo (ET)	350,000,000	EGP		96.51	Aalborg Portland Holding A/S	Line-by-line
Skane Grus AB	Ljungbyhed (S)	1,000,000	SEK		60	AB Sydsten	Line-by-line
Société des Carrières du Tournaisis SA	Gaurain (B)	12,297,053	EUR		65	Compagnie des Ciments Belges SA	Proportionate
Spartan Hive SpA	Rome (I)	300,000	EUR		100	Aalborg Portland Holding A/S	Line-by-line
Sureko AS	Izmir (TR)	43,443,679	TRY		100	Recydia AS	Line-by-line
Svim 15 Srl	Rome (I)	400,000	EUR	100		Cementir Holding NV	Line-by-line
Unicon A/S	Copenaghen (DK)	150,000,000	DKK		100	Aalborg Portland Holding A/S	Line-by-line
Unicon AS	Oslo (N)	13,289,100	NOK		100	Unicon A/S	Line-by-line
Vianini Pipe Inc	Branchburg N.J. (USA)	4,483,396	USD		100	Aalborg Portland US Inc	Line-by-line
White Cement Company LLC	West Palm Beach (USA)	-	USD		100	Aalborg Cement Company Inc.	Line-by-line

Rome, 11 March 2025

Chairman of the Board of Directors

/s/ Francesco Caltagirone Jr.

2024 COMPANY FINANCIAL STATEMENTS

COMPANY FINANCIAL STATEMENTS

Statement of Financial Position
(Before profit appropriation)

(EUR'000)	Note	31 December 2024	31 December 2023
ASSETS			
Intangible assets	1	-	28
Property, plant and equipment	2	1,831	1,102
Investment property	3	15,500	17,650
Investments in subsidiaries	4	299,451	299,201
Non-current financial assets	5	872	24
Deferred tax assets	17	20,986	19,338
Other non-current assets		-	-
TOTAL NON-CURRENT ASSETS		**338,640**	**337,343**
Trade receivables	6	501	172
- Trade receivables - third parties	6	*12*	*7*
- Trade receivables - related parties	31	*489*	*165*
Current financial assets	7	39,853	38,073
- Current financial assets - third parties	7	*11*	*1,360*
- Current financial assets - related parties	*31*	*39,842*	*36,713*
Current tax assets	8	2,130	1,403
Other current assets	9	15,450	13,027
- Other current assets - third parties	9	*823*	*1,372*
- Other current assets - related parties	*31*	*14,627*	*11,655*
Cash and cash equivalents	10	538	1,442
TOTAL CURRENT ASSETS		**58,472**	**54,117**
ASSETS HELD FOR SALE		**-**	**-**
TOTAL ASSETS		**397,112**	**391,460**
EQUITY AND LIABILITIES			
Share capital	11	159,120	159,120
Share premium reserve	12	27,701	27,701
Legal reserve	13	46	46
Other reserves	13	38,551	30,025
Profit (loss) for the year		45,779	52,116
TOTAL EQUITY		**271,197**	**269,008**
Employee benefits	14	2,584	2,604
Non-current provisions	19	370	370
Non-current financial liabilities	15	1,703	252
Income taxes tax liabilities	17	-	-
TOTAL NON-CURRENT LIABILITIES		**4,657**	**3,226**
Current provisions		0	0
Trade payables	16	1,929	1,689
- Trade payables - third parties		*1,704*	*1,464*
- Trade payables - related parties	*31*	*225*	*225*
Current financial liabilities	15	104,011	110,574
- Current financial liabilities - third parties	15	*111*	*27,064*
- Current financial liabilities - related parties	31	*103,900*	*83,510*
Current tax liabilities	17	0	171
Other current liabilities	18	15,318	6,792
- Other current liabilities - third parties	18	7,977	6,523
- Other current liabilities - related parties	31	*7,341*	269
TOTAL CURRENT LIABILITIES		**121,258**	**119,226**
LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE		**-**	**-**
TOTAL LIABILITIES		**125,915**	**122,452**
TOTAL EQUITY AND LIABILITIES		**397,112**	**391,460**

Income statement

(EUR'000)	Note	2024	2023
REVENUE	20	**8,765**	**8,990**
- Revenue - related parties	31	*8,765*	*8,990*
Other operating revenue	21	1	78
- Other operating revenue - third parties		*1*	*78*
TOTAL OPERATING REVENUE		**8,766**	**9,068**
Personnel costs	22	(7,820)	(7,918)
Other operating costs	23	(22,654)	(12,121)
- Other operating costs - third parties	23	*(14,948)*	*(11,415)*
- Other operating costs - related parties	31	*(7,706)*	*(706)*
TOTAL OPERATING COSTS		**(30,474)**	**(20,039)**
EBITDA		**(21,708)**	**(10,971)**
Amortisation, depreciation and impairment losses	24	(823)	(858)
EBIT		**(22,531)**	**(11,829)**
Financial income	25	73,130	74,566
- Financial income - third parties	25	*2,706*	*6,077*
- Financial income - related parties	31	*70,424*	*68,489*
Financial expense	25	(9,564)	(10,290)
- Financial expense - third parties	25	*(3,742)*	*(6,616)*
- Financial expense - related parties	31	*(5,822)*	*(3,674)*
NET FINANCIAL INCOME (EXPENSE)		**63,566**	**64,276**
PROFIT BEFORE TAXES		**41,035**	**52,447**
Income taxes	26	4,744	(331)
PROFIT FROM CONTINUING OPERATIONS		**45,779**	**52,116**

Statement of comprehensive income

(EUR'000)	Note	2024	2023
PROFIT FOR THE YEAR		**45,779**	**52,116**
Other components of comprehensive income:			
Items that will never be reclassified to profit or loss for the year			
Net actuarial gains (losses) on post-employment benefits	27	1	(7)
Taxes recognised in equity	27	-	2
Total items that will never be reclassified to profit or loss		**1**	**(5)**
Items that may be reclassified to profit or loss for the year:			
Profit (Losses) on derivatives	27	(64)	(2,569)
Taxes recognised in equity	27	19	760
Total items that may be reclassified to profit or loss		**(45)**	**(1,809)**
Total other comprehensive expense, net of tax		**(44)**	**(1,814)**
COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR		**45,735**	**50,302**

Statement of changes in equity

Notes	11	12		13	13		
(EUR'000)	**Share capital**	**Share premium reserve**	**Italian legal reserves**	**Other reserves**	**Retained earnings**	**Profit for the year**	**Total equity**
Equity at 1 January 2024	**159,120**	**27,701**	**31,824**	**(4,988)**	**3,234**	**52,116**	**269,008**
Allocation of 2023 profit (loss)	-	-	-	-	52,116	(52,116)	-
Distribution of 2023 dividends	-	-	-	-	(43,546)	-	(43,546)
Total transactions with investors	-	**-**	**-**	-	**8,570**	**(52,116)**	**(43,546)**
Profit (loss) for the year	-	-	-	-	-	45,779	45,779
Net actuarial gains	-	-	-	1	**-**	-	1
Losses on derivatives	-	-	-	(46)	**-**	-	(46)
Total comprehensive income (expense)	**-**	**-**	**-**	**(45)**	**-**	**45,779**	**45,734**
Equity at 31 December 2024	**159,120**	**27,701**	**31.824**	**(5,033)**	**11,804**	**45,779**	**271,196**

Note	11	12		13	13		
(EUR'000)	**Share capital**	**Share premium reserve**	**Italian legal reserves**	**Other reserves**	**Retained earnings**	**Profit (loss) for the year**	**Total Equity**
Equity at 1 January 2023	**159,120**	**27,701**	**31,824**	**(3,174)**	**-**	**37,449**	**252,920**
Allocation of 2022 profit (loss)	-	-	-	-	37,449	(37,449)	-
Distribution of 2022 dividends	-	-	-	-	(34,215)	-	(34,215)
Total transactions with investors	-	**-**	**-**	-	**3,234**	**(37,449)**	**(34,215)**
Profit (loss) for the year	-	-	-	-	-	52,116	52,116
Net actuarial losses	-	-	-	(5)	**-**	-	(5)
Losses on derivatives	-	-	-	(1,809)	**-**	-	(1,809)
Total comprehensive income (expense)	**-**	**-**	**-**	**(1,815)**	**-**	**52,116**	**50,302**
Equity at 31 December 2023	**159,120**	**27,701**	**31,824**	**(4,988)**	**3,234**	**52,116**	**269,008**

Statement of Cash Flows

(EUR'000)	Note	31 December 2024	31 December 2023
Profit for the year		**45,779**	**52,115**
Amortisation	24	823	858
Investment property FV adjustment		2,150	-
Loss allowance	6	-	-
Net financial income (expense)	25	(63,567)	(64,275)
- third parties		*1,081*	*654*
- related parties	31	*(64,648)*	*(64,929)*
Income taxes	26	(4,744)	331
Change in employee benefits		(18)	337
Change in provisions (current and non-current)	19	-	-
Operating cash flows before changes in working capital		**(19,577)**	**(10,634)**
Decrease in trade receivables - third parties (Increase)		(4)	4
Decrease in trade receivables - related parties		(324)	1,718
Increase (Decrease) in trade payables - third parties		240	19
Increase (Decrease) in trade payables - related parties		0	(246)
Change in other non-current and current assets and liabilities - third parties		2,004	890
Change in other non-current and current assets and liabilities - related parties		7,044	(36)
Change in current and deferred taxes		(747)	84
Operating cash flows		**(11,364)**	**(8,201)**
Dividends collected		67,839	66,606
Interest received		1,998	1,897
Interest paid		(6,047)	(5,653)
Other net income (expense) collected (paid) on derivatives	25	(2,605)	2,194
Income taxes paid		-	-
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES (A)		**49,821**	**56,843**
Acquisitions of equity investments		(250)	-
Change in non-current financial assets – third parties		-	14
Change in non-current financial assets – related parties		(848)	892
Change in current financial assets – third parties		3,512	(1,293)
Change in current financial assets – related parties		(2,532)	(12,275)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B)		**(118)**	**(12,662)**
Change in non-current financial liabilities - third parties		-	(27,588)
Change in current financial liabilities - third parties		(26.854)	(24,375)
Change in current financial liabilities - related parties		19,793	42,804
Dividends distributed		(43,546)	(34,214)
Other changes in Equity		-	-
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES (C)		**(50,607)**	**(43,373)**
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)		**(904)**	**808**
Opening cash and cash equivalents	10	**1,442**	**634**
Closing cash and cash equivalents	10	**538**	**1,442**

Reconciliation of the parent's company equity at 31 December 2024 and 2023 and profit (loss) for the year then ended with consolidated equity and profit (loss)

(EUR'000)	**Profit (loss) 2024**	**Equity 31 December 2024**
Cementir Holding NV (stand alone)	**45,779**	**271,196**
Effect of consolidating subsidiaries and associates	181,726	2,071,501
Difference in translation reserve	-	980,058
Hyperinflation in Türkiye	25,865	354,392
Total attributable to the owners of the parent	**201,640**	**1,717,031**
Total attributable to the non-controlling interests	**12,815**	**139,353**
Cementir Holding Group	**214,455**	**1,856,384**

(EUR'000)	**Profit (loss) 2023**	**Equity 31 December 2023**
Cementir Holding NV (stand alone)	**52,116**	**269,008**
Effect of consolidating subsidiaries and associates	190,509	1,872,150
Difference in translation reserve	-	(890,853)
Hyperinflation in Türkiye	(41,261)	252,759
Total attributable to the owners of the parent	**201,364**	**1,503,064**
Total attributable to the non-controlling interests	**14,128**	**147,769**
Cementir Holding Group	**215,492**	**1,650,833**

The main differences are caused by the valuation of the investments in subsidiaries at cost in the company financial statements. Translation reserves are therefore not applicable in the company financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

General information

On 28 June 2019, the Extraordinary Shareholders' Meeting approved the transformation of the company Cementir Holding SpA from a joint-stock company under Italian law into a public limited liability company ("Naamloze Vennootschap") under Dutch law, in relation to the transfer of the registered office to Amsterdam, Netherlands (36, Zuidplein, 1077 XV; Chamber of Commerce registration number 76026728). The transfer and transformation process was completed on 5 October 2019.

On that date the Board of Directors resolved to establish an operational and secondary headquarters in Rome, at 200 Corso Francia. The company's tax residence remained in Italy. As part of this transformation, Management aligned the equity composition per the Italian law requirements with the Dutch Civil Requirements.

The company remained listed on the STAR segment of the Milan Stock Exchange.

At 31 December 2024, shareholders holding shares exceeding 3% of share capital, as indicated in the book of shareholders, from communications received pursuant to 5:28 of the Financial Supervision Act and other information available, are:

1) Francesco Gaetano Caltagirone – 106,217,754 shares (66.753%). The shareholding is held as follows:
    - Direct ownership of 1,327,560 shares (0.834%)
    - Indirect ownership through the companies:
        - Calt 2004 Srl – 49,168,424 shares (30.900%)
        - Caltagirone SpA – 22,800,000 shares (14.329%)
        - FGC SpA – 17,600,000 shares (11.061%)
        - Azufin Spa – 10,720,000 shares (6.737%)
        - Capitolium Srl – 2,600,000 shares (1.634%)
        - SO.CO.GE.IM Spa – 1,500,000 shares (0.943%)
        - Compagnia Gestioni Immobiliari Srl – 500,000 shares (0.314%)
        - Vianini Lavori SpA – 1,770 shares (0.001%).
2) Francesco Caltagirone – 8,775,299 shares (5.515%). The above investment is held indirectly through the company Chupas 2007 Srl for 8,775,299 shares (5.515%).

On 11 March 2025, the Company's Board of Directors approved these company financial statements at 31 December 2024 and authorised their publication on 11 March 2025.

Statement of compliance with the IFRS

These company financial statements at 31 December 2024, drawn up on a going concern basis for the Parent and have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU-IFRSs) and with Section 2: 362(9) of the Dutch Civil Code.

Certain parts of this Annual Report contain financial measures that are not measures of financial performance or liquidity under EU-IFRS. These are commonly referred to as non-IFRS financial measures and include items such as Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA), Earnings Before Income Taxes (EBIT) and net financial debt. The Company calculates EBITDA as follows, total operating revenues minus total operating costs excluding accruals.

Basis of presentation

The company financial statements at 31 December 2024 are presented in euros, the Company's functional currency. All amounts are expressed in thousands of euros, unless indicated otherwise. They consist of a statement of financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and these notes.

The company financial statements have been prepared on a going concern basis as the directors are reasonably certain that the Company will continue to operate in the foreseeable future, based on their assessment of the risks and uncertainties to which it is exposed.

The Company has opted to present these statements as follows:

- the statement of financial position presents current and non-current assets and liabilities separately;
- the income statement classifies costs by nature;
- the statement of comprehensive income presents the effect of gains and losses recognised directly in equity, starting from the profit or loss for the year;
- the statement of cash flows is presented using the indirect method.

The accounting policies are described in Basis of presentation section of the consolidated financial statements and are deemed incorporated and repeated herein by reference. Investments in subsidiaries are accounted for at cost, net of impairment.

Notes

1) Intangible assets

Intangible assets are fully amortised (EUR 28 thousand at 31 December 2023).

(EUR'000)	Other intangible assets	Total
Gross amount at 1 January 2024	**2,333**	**2,333**
Increase	-	-
Reclassifications	-	-
Gross amount at 31 December 2024	**2,333**	**2,333**
Amortisation at 1 January 2024	**2,305**	**2,305**
Increase	28	28
Amortisation at 31 December 2024	**2,333**	**2,333**
Net amount at 31 December 2024	**-**	**-**
Gross amount at 1 January 2023	**2,333**	**2,333**
Increase	-	-
Reclassifications	-	-
Gross amount at 31 December 2023	**2,333**	**2,333**
Depreciation at 1 January 2023	**2,278**	**2,278**
Increase	27	27
Amortisation at 31 December 2023	**2,305**	**2,305**
Net amount at 31 December 2023	**28**	**28**

2) Property, plant and equipment

At 31 December 2024 the item totalled EUR 1,831 thousand (EUR 1,102 thousand at 31 December 2023). The Other assets consists of furniture, electronic equipment and servers used by the company.

(EUR'000)	Other assets	Right-of-use assets	Total
Gross amount at 1 January 2024	**336**	**1,725**	**2,061**
Increase	-	1,735	1,735
Decrease	-	(1,314)	(1,314)
Gross amount at 31 December 2024	**336**	**2,146**	**2,482**
Amortisation at 1 January 2024	**247**	**712**	**959**
Increase	37	758	795
Decrease	-	(1,230)	(1,230)
Reclassifications	-	127	127
Amortisation at 31 December 2024	**284**	**367**	**651**
Net amount at 31 December 2024	**52**	**1,779**	**1,831**

(EUR'000)	Other assets	Right-of-use assets	Total
Gross amount at 1 January 2023	**336**	**1,858**	**2,194**
Increase	-	319	319
Decrease	-	(452)	(452)
Gross amount at 31 December 2023	**336**	**1,725**	**2,061**
Depreciation at 1 January 2023	**210**	**281**	**491**
Increase	37	793	830
Decrease	-	(362)	(362)
Amortisation at 31 December 2023	**247**	**712**	**959**
Net amount at 31 December 2023	**89**	**1,013**	**1,102**

Property, plant and equipment includes EUR 1,779 thousand in right-of-use assets (EUR 1,013 thousand as at 31 December 2023). Note 28 "IFRS 16 Leases" gives a breakdown of Right-of-use assets categorised according to their nature and its useful life.

The estimated useful life of the main items of plant and equipment is reported below:

	Useful life of property, plant and equipment
Various equipment	5 years
Office machines and equipment	5 years

3) Investment property

The item investment property, totalling EUR 15,500 thousand (EUR 17,650 thousand at 31 December 2023), is recognised at fair value, as determined using appraisals prepared by an independent property assessor, of the property in Torrespaccata (Rome), which decreased against the previous year by EUR 2,150 thousand due to the decrease in market prices of commercial buildings in 2024. The value of the Investment property is not pledged for any amount as collateral as the bank debt related to the property was repaid in December 2024.

4) Investments in subsidiaries

Totalling EUR 299,451 thousand (EUR 299,201 thousand at 31 December 2023), the item breaks down as follows:

(EUR'000)	Currency	Registered office	Investment %	Carrying amount at 31/12/2024	Investment %	Carrying amount at 31/12/2023
Cementir Espana SL	EUR	Madrid (ES)	100.00%	206,735	100.00%	206,735
Alfacem Srl	EUR	Rome (I)	99.99%	90,220	99.99%	90,220
Basi 15 Srl	EUR	Rome (I)	99.99%	1,646	99.99%	1,646
Svim 15 Srl	EUR	Rome (I)	99.99%	850	99.99%	600
Equity investments				**299,451**		**299,201**

The change compared to 2023 refers to the increase in the investment in Svim 15 Srl due to the capital contribution, equal to EUR 250 thousand.

All investments in subsidiaries are in unlisted companies. As of the date of preparation of these financial statements, the Company has not identified any impairment indicators in the value of the investees and, therefore, there are no significant issues regarding their recoverability.

The list of direct and indirect participations of the parent is shown, according to Art. 2:379(1) DCC, in the annex to the Consolidated Financial Statements.

5) Non-current financial assets

The item amounts to EUR 872 thousand (EUR 24 thousand at 31 December 2023), the increase of EUR 848 thousand is mainly due to the receivables towards Spartan Hive SpA, Aalborg Portland Digital Srl and Piemme relating to the subleasing agreement of the building in Corso di Francia 200.

6) Trade receivables

Trade receivables totalled EUR 501 thousand (EUR 172 thousand at 31 December 2023) and the break down as follows:

(EUR'000)	**31.12.2024**	**31.12.2023**
Trade receivables from third parties	12	7
Loss allowance	-	-
Trade receivables - subsidiaries (note 31)	359	135
Trade receivables - other group companies (note 31)	130	30
Trade receivables	**501**	**172**

The carrying amount of trade receivables is representative of their fair value. The maturities of receivables from third-party customers are as follows:

(EUR'000)	**31.12.2024**	**31.12.2023**
Not yet due	-	-
Overdue	12	7
Loss allowance	-	-
Total trade receivables from third parties	**12**	**7**

Trade receivables from subsidiaries mainly refer to fees related to the Trademark License Agreement for the use of the trademark by subsidiaries, these receivables expired on 31 December 2024. The Company has decided, in light of the recoverability assessments made, not to make any write-downs on these amounts, considering them recoverable with certainty in the short term.

Note 31) Related party transactions provides more information about trade receivables from subsidiaries, associates and other group companies.

7) Current financial assets

Totalling EUR 39,853 thousand (EUR 38,073 thousand at 31 December 2023), the item breaks down as follows:

- loans to the subsidiary Svim 15 Srl, revocable and interest bearing at a rate equal to Euribor 3 months + 1.0%, amounting to EUR 1,255 thousand;
- the interest-bearing loan to Aalborg Cement Company, amounting to EUR 11,255 thousand, maturing on 31 December 2025 and with a rate equal to SOFR 3 months + 1.5%;
- the interest-bearing loan to White Cement Company, amounting to EUR 25,349 thousand, maturing on 31 December 2025 and with a rate equal to SOFR 3 months + 1.5%;
- the loan to the subsidiary BASI 15 Srl, revocable and interest bearing at a rate equal to Euribor 3 months + 1.0%, for an amount of EUR 1,050 thousand;
- receivables arising from IFRS 16 on the sublease to Spartan Hive SpA, amounting to EUR 121 thousand, to Aalborg Portland Digital Srl for EUR 368 thousand and to Piemme SpA for EUR 445 thousand.

The carrying amount of financial assets coincides with their fair value.

The change compared to the previous year, amounting to EUR 1,780 thousand, is mainly attributable to:

- the negative effect of the fair value of derivative products, due to their settlement, for EUR 773 thousand;
- the exchange rate effect, to the companies Aalborg Cement Company for EUR 848 thousand and White Cement Company for EUR 1,909 thousand;
- The increase in receivables from IFRS 16 in the amount of EUR 22 thousand;
- The increase in the loan to Basi 15 Srl for EUR 350 thousand;

The item also includes EUR 11 thousand (EUR 587 thousand at 31 December 2023) of bank interest income and has decreased due to the release of prepaid expenses relating to the financial debt of the “Facility” and “RCF”, lines repaid in May 2024.

8) Current tax assets

Current tax assets, which amounted to EUR 2,130 thousand (EUR 1,402 thousand as of 31 December 2023), mainly consisted of EUR 344 thousand of taxes paid abroad and requested for refund, EUR 417 thousand in withholding taxes paid abroad, EUR 219 thousand in withholding taxes paid abroad for previous years, EUR 169 thousand in withholding taxes on active interest and EUR 982 thousand for the receivable related to the request for refund due to lower royalties related to the so-called Mutual Agreement Procedure (MAP). The procedure, finalised during 2021, was initiated in November 2014 following an audit by the Danish Tax Authorities concerning the disavowal of royalties paid by Aalborg Portland Holding to Cementir Holding in the period 2008 – 2012.

9) Other current assets

The item totalled EUR 15,450 thousand (EUR 13,027 thousand at 31 December 2023) and breaks down as follows:

(EUR'000)		31.12.2024	31.12.2023
Subsidiaries (IRES tax consolidation scheme)	(note 31)	14,627	11,655
Prepayments		71	85
VAT assets		745	1,280
Other receivables		7	7
Other current assets		**15,450**	**8,813**

10) Cash and cash equivalents

This item, totalling EUR 538 thousand (EUR 1,442 thousand at 31 December 2023) consists of cash and cash equivalents held by the Company and breaks down as follows:

(EUR'000)	31.12.2024	31.12.2023
Bank deposits	532	1,439
Cash-in-hand and cash equivalents	6	3
Cash and cash equivalents	**538**	**1,442**

For the change, equal to EUR 904 thousand, please refer to the Company's statement of cash flows.

11) Share capital

The Company's share capital consists of 159,120,000 ordinary shares with a par value of EUR 1 each. It is fully paid up and has not changed with respect to the previous year end.

12) Share premium reserve

The share premium reserve as of 31 December 2024 was equal to EUR 27,702 thousand (EUR 27,702 thousand as of 31 December 2023).

13) Reserves

Other reserves totalled EUR 38,596 thousand (EUR 30,071 thousand at 31 December 2023) and break down as follows:

(EUR'000)	Legal Reserve	Other Reserves	Retained Earnings	Total
Balance at 1 January 2024	**31.824**	**(4.988)**	**3.234**	**30.071**
Increase	-	1	52.116	52.116
Decrease	-	(45)	(43.546)	(43.591)
Balance at 31 December 2024	**31.824**	**(5.032)**	**11.804**	**38.596**
(EUR'000)	**Legal Reserve**	**Other Reserves**	**Retained Earnings**	**Total**
Balance at 1 January 2023	**31.824**	**(3.173)**	**-**	**28,651**
Increase	-	-	37,449	37,449
Decrease	-	(1.814)	(34,215)	(36,029)
Balance at 31 December 2023	**31.824**	**(4.988)**	**3.234**	**30,071**

The decrease in Other Reserves relates to the reduction in the cash flow hedge reserve of 46 thousand euros, while the increase to the IAS19 reserve.

The increase in retained earnings, equal to EUR 8,570 thousand, is related to the carry forward of the operating profit of the previous financial year net of the distribution of 2023 dividends.

Equity items

It is noted that the Company is tax residence in Italy, the following table shows the origin, possible use and availability of equity items in respect to Italian tax rules:

(EUR'000)		Summary of utilisation in previous three years	
Nature/Description	**Amount as at 31/12/2024**	**To cover losses**	**For other reasons**
Share capital	**159,120**	**-**	**-**
Share premium reserve	27,702	-	8,009
Legal reserve (Italian law)	31,824	-	-
Reserve for treasury shares in portfolio	(29,315)	-	-
Reserve for dividends undistributed	355	-	-
A) Reserve for grants related to assets	13,207	-	-
Reserve as per Art. 15 of Law No. 67 of 11/3/88	138	-	-
Reserve as per Law 349/95	41		
Goodwill arising on merger	-	-	14,676
Other IFRS reserves	10,542	-	-
Retained earnings	11,804	-	-
Total reserves	**66,298**	**-**	**22,685**
Profit (loss) for the year	**45,779**	**-**	**-**
Total equity	**271,197**	**-**	**-**

A) In the event of distribution, the reserves contribute to forming the taxable income of the company.

The following table shows the reconciliation between Italian tax law and the Dutch Civil Code as at 31 December 2024:

(EUR'000)	Share premium reserve	Reserve for treasury shares in portfolio	Reserve for dividends undistributed	Reserve for grants related to assets	Hedging Reserve*	Legal reserve (Italian Law)	Other IFRS reserves*	Reserve as per Art. 15 of Law No. 67/88	Reserve as per Law No. 349/95	Goodwill arising on merger	Actuarial reserves IAS 19*	IFRS 9 Reserve*	Retained earnings	**Total**
Italian Tax rules	27,702	(29,315)	355	13,207	-	31,824	5,170	138	41	-	(114)	5,486	11,804	**66,298**
Reclassification due conversion in N.V.	-	29,315	(355)	(13,207)	-	(31,824)	(5,170)	(138)	(41)	-	-	(5,486)	26,906	
Dutch Civil Code	**27,702**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(114)**	**-**	**38,710**	**66,298**

*other IFRS reserves

Treasury share purchase

The number of treasury shares held following the completion of the share buy-back programme (the "Programme") in October 2021 has not changed.

It should be noted that under the Programme, between 15 October 2020 and 12 October 2021 (ends included), 3,600,000 treasury shares, equal to 2.2624% of the share capital, were purchased on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. at a weighted average price of EUR 8.1432 per share and for a total outlay of EUR 29,315 thousand.

Dividends

During the year, the company distributed a total of EUR 43,546 thousand in dividends to shareholders for 2023, corresponding to EUR 0.28 per ordinary share.

14) Employee benefits

Post-employment benefits totalled EUR 191 thousand (EUR 185 thousand at 31 December 2023). The figure represents the company's estimate of its obligation, determined using actuarial techniques, to employees upon termination of employment. On 1 January 2007, the Italian Finance Act and related implementing decrees introduced significant reforms to the regulations governing post-employment benefits, including the right of employees to decide where to allocate their accruing benefits. Benefits may be transferred to a pension fund or kept within the company, in which case they are transferred to a special treasury fund set up by INPS.

As a result of the reforms, accruing Italian post-employment benefits now qualify as a defined contribution plan rather than a defined benefit plan.

The actuarial assumptions used for their measurement are summarised below:

Values in %	**31.12.2024**	**31.12.2023**
Annual discount rate	2.90%	3.10%
Annual post-employment benefits growth rate	3.00%	3.31%

Changes in the liability are shown below:

(EUR'000)	**31.12.2024**	**31.12.2023**
Net liability *opening balance*	**185**	**172**
Current service cost	-	-
Interest cost	5	6
Payments of post-employment benefits	-	-
Net actuarial gains recognised in the year	1	7
Other	-	-
Net liability *closing balance*	**191**	**185**

Employee benefits included the long-term incentive plan that envisages the payment of a variable monetary reward, calculated on the basis of the gross annual salary of the beneficiary, which is tied to the achievement of the business and financial objectives in the Industrial Plans prepared and approved. It amounted to EUR 2,393 thousand at 31 December 2024 (EUR 2,419 thousand at 31 December 2023).

15) Financial liabilities

Non-current and current financial liabilities are shown below:

(EUR'000)		31.12.2024	31.12.2023
Bank loans and borrowing		-	-
Other non-current loan liabilities		107	252
Other non-current financial liabilities - related parties	(note 31)	1,596	-
Non-current financial liabilities		**1,703**	**252**
Bank loans and borrowing		-	26,542
Loans and borrowings - related parties (cash pooling)	(note 31)	102,074	81,751
Current portion of non-current financial liabilities		104	155
Current portion of non-current financial liabilities to related parties	(note 31)	1,761	1,536
Fair value of derivatives		-	251
Fair value of derivative instruments - related parties	(note 31)	58	211
Other loan liabilities		7	116
Other financial payables - related parties	(note 31)	7	12
Current financial liabilities		**104,011**	**110,574**
Total financial liabilities		**105,714**	**110,826**

Current payables to bank loans and borrowings are zero following the expiry during the FY 2024 of the senior term loan and to the variable rate loan (6M Euribor + spread of 0.75%) granted by Banca Intesa SpA against a mortgage on the property located in Torrespaccata.

Payables to related parties of EUR 102,074 thousand refer to the balance of the cash pooling account in place with Alfacem Srl.

The current portion of non-current financial liabilities, amounting to EUR 1,865 thousand (EUR 104 thousand to third parties and EUR 1,761 thousand to related parties), related to the debt arising from the application of IFRS 16; while other current financial debts , equal to EUR 7 thousand, refer to the accrual for the assessment of financial charges.

The fair value of derivative instruments with related parties, negative for EUR 58 thousand respectively, represents the valuation at 31 December 2024 of the derivatives put in place for the purpose of hedging exchange rates with expiry in December 2025.

The company's exposure, broken down by due date of the financial liabilities, is as follows:

(EUR'000)		31.12.2024	31.12.2023
Within three months		983	1,333
• *third parties*		*31*	*585*
• *related parties*	*(note 31)*	*952*	*748*
Between three months and one year		103,028	109,241
• *third parties*		*80*	*26,480*
• *related parties*	*(note 31)*	*102,948*	*82,761*
Between one and two years		1,651	183
• *third parties*		*55*	*183*
• *related parties*	*(note 31)*	*1,596*	*0*
Between two and five years		52	69
• *third parties*		*52*	*69*
• *related parties*	*(note 31)*	*0*	*0*
After five years		0	0
Total financial liabilities		**105,714**	**110,826**

The carrying amount of current and non-current financial liabilities equals their fair value.

Net financial debt

The following table shows the Net Financial Debt as at 31 December 2024 and 2023, calculated in accordance with paragraph 175 of the recommendations contained in ESMA 32-382-1138 of 4 March 2021:

(EUR'000)	31.12.2024	31.12.2023
A. Cash	6	3
B. Cash flow	532	1,438
C. Current financial assets	39,853	38,073
D. Cash and cash equivalents (A+B+C)	**40,391**	**39,514**
E. Current bank loans and borrowings	-	(24,880)
F. Current portion of non-current debt	(104,010)	(85,695)
G. Current financial debt (E+F)	**(104,010)**	**(110,575)**
H. Net current financial debt (G-D)	**(63,619)**	**(71,061)**
I. Non-current bank loans and borrowings	-	-
J. Bonds issued	-	-
K. Other non-current liabilities	(1,703)	(252)
L. Non-current financial debt (I+J+K)	**(1,703)**	**(252)**
M. Net financial debt (H+L)	**(65,322)**	**(71,313)**

The Company's net financial debt at 31 December 2024 amounted to EUR 65,322 thousand (EUR 71,313 thousand at 31 December 2023) down by EUR 5,991 thousand compared to the previous year. This change is mainly attributable to the repayment of principal amounts of outstanding loans.

The current portion of debt, amounting to EUR 104,010 thousand (EUR 85,695 thousand at 31 December 2023) increased by EUR 18,315 thousand mainly due to the cash pooling debt with Alfacem.

If the non-current component of the loan had been included, the net financial debt of Cementir Holding NV would have been EUR 64,878 thousand (as presented below).

The current assets equal to EUR 15,450 thousand (EUR 13,027 thousand at 31 December 2023) are slightly higher than current liabilities equal to EUR 15,318 thousand (EUR 6,792 thousand at 31 December 2023), mainly due to the debt to the Group companies, see note 18).

(EUR'000)	31.12.2024	31.12.2023
Current financial assets	39,853	38,073
Cash and cash equivalents	538	1,441
Current financial liabilities	(104,010)	(110,575)
Non-current financial liabilities	(1,703)	(252)
Net financial debt (as per CONSOB Communication)	**(65,332)**	**(71,313)**
Non-current financial assets	444	24
Total net financial debt	**(64,878)**	**(71,289)**

16) Trade payables

Their balance of EUR 1,928 thousand (EUR 1,689 thousand at 31 December 2023) may be analysed as follows:

(EUR'000)	31.12.2024	31.12.2023
Trade payables - third parties	1,703	1,464
Trade payables - related parties (note 31)	225	225
Trade payables	**1,928**	**1,689**

Note 31) Related party transactions gives a breakdown of trade payables to subsidiaries, associates and Parents.

17) Deferred tax assets and liabilities and current tax liabilities

At 31 December 2024, deferred tax, amounted to EUR 20,986 thousand, includes deferred tax assets net of deferred tax liabilities as shown below:

(EUR'000)	31.12.2023	Accruals, net of utilisation in profit or loss	Increase, net of decreases in equity	Other changes	31.12.2024
Tax losses	16,166	-	-	-	16,166
Other	5,229	(44)	-	-	5,185
Deferred tax assets	**21,395**	**(44)**	**-**	**-**	**21,351**
Difference between accounting value and their tax base	2,057	(1,672)	(20)	-	365
Income taxes tax liabilities	**2,057**	**(1,672)**	**(20)**	**-**	**365**
Total	**19,338**				**20,986**

The balance as of 31 December 2024 of deferred tax assets (EUR 21,351 thousand) is mainly composed of IRES credits due to tax losses related to companies participating in the Italian domestic tax consolidation scheme; recovery is foreseen in subsequent years within the limits defined by the reference legislation.

In the last three years, no DTA was assessed on losses for statutory purposes, but they were taken into account for tax purposes.

Deferred tax liabilities, totalling EUR 365 thousand at 31 December 2024, consisted of EUR 366 thousand relating to IRES and EUR 0 thousand relating to IRAP.

18) Other current liabilities and current and non-current provisions

(EUR'000)		31.12.2024	31.12.2023
Personnel		1,391	1,450
Social security institutions		513	489
Other liabilities		6,073	4,584
Subsidiaries (IRES and VAT tax consolidation scheme)	(note 31)	388	269
Other payables - related parties (Note 31)		6,953	-
Other current liabilities		**15,318**	**6,792**

Other liabilities relate mainly to remuneration for directors and auditors for a total of EUR 5,649 thousand.

The amount due to subsidiaries primarily comprises amounts owed by Cementir Holding to companies that have joined the national IRES tax consolidation scheme following the assignment of tax losses of previous years.

The other payables – related parties relates to Cimentas for the dispute filed on January 29, 2017, by the Capital Market Board (CMB), the regulatory and supervisory body of the Turkish stock exchange, on behalf of Cimentas AS and against Cementir Holding before the Izmir Court, was definitively closed with the payment by the defendant in favor of Cimentas AS of the equivalent of 6.9 million Euros on January 28, 2025.

19) Change in provisions (current and non-current)

At 31 December 2024, non-current provisions amounted to EUR 370 thousand, unchanged compared to 31 December 2023.

20) Revenue

(EUR'000)	2024	2023
Services	8,765	8,990
Revenue	**8,765**	**8,990**

Revenue included EUR 8,152 thousand mainly from revenues for royalties related to the use of the trademark by the subsidiaries and for EUR 451 thousand from revenues for administrative services to group companies.

Note 31) Related-party transactions provides more information about revenue from subsidiaries, associates and other Group companies.

21) Other operating revenue

(EUR'000)	2024	2023
Building lease payments	-	-
Other revenue and income	1	78
Other operating revenue	**1**	**78**

22) Personnel costs

(EUR'000)	2024	2023
Wages and salaries	5,754	5,575
Social security charges	1,510	1,492
Other costs	556	851
Personnel costs	**7,820**	**7,918**

The costs relating to post-employment benefits amount to EUR 448 thousand (EUR 414 thousand in 2023) and are included in Other costs.

The company's workforce breaks down as follows:

	31.12.2024	31.12.2023	2024 Average	2023 Average
Executives	13	13	13	12
Middle management, white-collar workers and intermediates	31	27	29	27
Total	**44**	**40**	**42**	**39**

The Company has no employees in the Netherlands.

23) Other operating costs

(EUR'000)	2024	2023
Consultancy	1,724	1,766
Directors' fees	7,528	6,239
Independent auditors' fees	675	553
Other services	9,358	2,235
Other operating costs	3,369	1,328
Other operating costs	**22,654**	**12,121**

Compared to FY 2023, Other services includes EUR 6,953 thousand of costs related to the disputes between Cimentas AS and the Capital Market Board (CMB), please refer to note 31.

Total other operating expenses also include transactions with related parties; please refer to note 31 for full details.

24) Amortisation, depreciation, impairment losses and provisions

(EUR'000)	2024	2023
Amortisation	27	27
Depreciation	796	831
Provisions and write-downs	0	0
Amortisation, depreciation, impairment losses and provisions	**823**	**858**

Amortisation and depreciation includes for EUR 758 thousand (EUR 793 thousand in 2023) in amortisation of right of use assets deriving from the application of IFRS 16.

25) Net financial expense

Financial income net of expenses was EUR 63,566 thousand. This result is broken down as follows:

(EUR'000)		2024	2023
Total income from investments		**67,839**	**66,606**
Total expense from investments		**-**	**-**
Interest income from third parties		20	32
Interest income from related parties	(note 31)	2,585	1,883
Other financial income		2,685	6,045
Total financial income		**5,290**	**7,960**
Interest expense		(775)	(2,577)
Interest expense - related parties (note 31)		(46)	(115)
Other financial expense		(2,966)	(4,039)
Other financial expense - related parties	(nota 31)	(5,776)	(3,559)
Total financial expense		**(9,563)**	**(10,290)**
Net financial income (expense)		**63,566**	**64,276**

"Income from investments", amounting to EUR 67,839 thousand, refers to the dividends received by the subsidiary Cementir Espana and by Cimentas. Other financial income amounting to EUR 2,685 thousand (EUR 6,045 thousand as of 31 December 2023) consisted of valuation and realisation of derivative financial instruments purchased to hedge currency and exchange rate gains on financial transactions.

Other financial expense totalled EUR 2,966 thousand (EUR 4,039 thousand as of 31 December 2023) mainly consisted of losses arising from the realisation of derivative financial instruments held to hedge currency and interest rate risks.

26) Income taxes

The overall net amount, positive for EUR 4,744 thousand (negative for EUR 331 thousand in 2023), is made up as follows:

(EUR'000)	2024	2023
Current taxes	3,116	(39)
- *IRES*	*3,116*	*(39)*
- *IRAP*	*-*	*-*
Deferred tax assets	(44)	(324)
- *IRES*	*76*	*(324)*
- *IRAP*	*(120)*	*18*
Income taxes tax liabilities	1,672	32
- *IRES*	*1,568*	*-*
- *IRAP*	*104*	*32*
Taxes	**4,744**	**(331)**

The following table shows a reconciliation between the theoretical tax expense and the effective expense recognised in the income statement:

(EUR'000)	2024	2023
Theoretical tax expense (based on Italian nominal tax rate)	**(9,849)**	**(12,587)**
Taxable permanent differences	(13,546)	(2,359)
Deductible permanent differences	18,935	18,154
Prior year taxes	(300)	(3,539)
Change in IRES tax rate	-	-
Effective IRAP tax expense	16	-
Taxes	**(4,744)**	**(331)**

The Company, as allowed by the Consolidated Income Tax Act, participates in the group tax regime called "National tax consolidation scheme" as Parent.

27) Other comprehensive expense

The following table gives a breakdown of other comprehensive expense, including and excluding the related tax effect:

(EUR'000)	2024			2023		
	Gross amount	Tax effect	Gross amount	Gross amount	Tax effect	Gross amount
Financial instruments	(64)	19	**(45)**	(2,569)	760	**(1,809)**
Net actuarial gains (losses) on post-employment benefits	1	-	**1**	(7)	2	**(5)**
Total other comprehensive income (expense)	**(63)**	**19**	**(44)**	**(2,576)**	**762**	**(1,814)**

28) IFRS 16 Leases

The following table shows the movements of RoU at 31 December 2024 and the related disclosures:

(EUR'000)	Land and buildings	Plant and equipment	Other assets	Total Right-of-use assets
Gross amount at 1 January 2024	**1,231**	**495**	**-**	**1,726**
Increase	1,574	161	-	1,735
Decrease	(1,231)	(83)	-	(1,314)
Gross amount at 31 December 2024	**1,574**	**573**	**-**	**2,147**
Depreciation at 1 January 2024	**619**	**93**	**-**	**712**
Amortisation	611	147	-	758
Reclassifications/Increases	-	127	-	127
Decrease	(1,230)	-	-	(1,230)
Amortisation at 31 December 2024	**-**	**367**	**-**	**367**
Net amount at 31 December 2024	**1,574**	**206**	**-**	**1,780**

(EUR'000)	Land and buildings	Plant and equipment	Other assets	Total Right-of-use assets
Gross amount at 1 January 2023	**1,306**	**553**	**-**	**1,859**
Increase	-	319	-	319
Decrease	(75)	(377)	-	(452)
Gross amount at 31 December 2023	**1,231**	**495**	**-**	**1,726**
Depreciation at 1 January 2023	**-**	**281**	**-**	**281**
Amortisation	619	174	-	793
Decrease	-	(362)	-	(362)
Amortisation at 31 December 2023	**619**	**93**	**-**	**712**
Net amount at 31 December 2023	**612**	**402**	**-**	**1,014**

As at 31 December 2024, right of use assets were EUR 1,780 thousand (EUR 1,014 thousand at 31 December 2023) and mainly included the contract related to the 200 Corso Francia premises for EUR 1,574 thousand (EUR 612 thousand at 31 December 2023).

The depreciation period of the right-of-use assets is reported below:

	Useful life of the right of use assets
Land and buildings	2 years
Plant and equipment	4 years

The Company's exposure, broken down by expiry of the lease liabilities, is as follows:

(EUR'000)	31.12.2024	31.12.2023
Within three months	474	424
Between three months and one year	1,332	1,255
Between one and two years	1,764	31
Between two and five years	-	3
After five years	-	-
Total undiscounted lease liabilities at 31 December	**3,570**	**1,713**

Current and non-current lease liabilities are shown below:

(EUR'000)		31.12.2024	31.12.2023
Non-current lease liabilities		107	252
Non-current lease liabilities - related parties	(note 31)	1,596	-
Non-current lease liabilities		**1,703**	**252**
Current lease liabilities		103	155
Current lease liabilities - related parties	(note 31)	1,761	1,536
Current lease liabilities		**1,864**	**1,691**
Total lease liabilities		**3,567**	**1,943**

Amounts recognised in profit/(loss) in the income statement

(EUR'000)	2024	2023
Amortisation and depreciation (note 24)	(758)	(793)
Interest expense on lease liabilities	(54)	(123)

Amounts recognised in the cash flow statement

(EUR'000)	2024	2023
Total cash outflow for leases	1,763	1,762

29) Financial risk management and disclosures

The company is exposed to financial risks connected with its operations, namely:

Credit risk

Cementir Holding N.V.'s exposure to credit risk is not considered particularly significant as it mainly does business with subsidiaries and related parties whose risk of insolvency is substantially inexistent.

Credit risk related to trade receivables from subsidiaries is considered insignificant.

Note 6 provides additional details regarding the maturities of third-party trade receivables.

With respect to bank deposits (note 10) and derivatives (note 7), the Company has always worked with leading counterparties, thus limiting its credit risk in this sense.

Liquidity risk

Liquidity risk concerns the availability of financial resources and access to credit market and financial instruments.

The company monitors its cash flows, funding requirements and liquidity levels in order to ensure the effective and efficient use of its financial resources.

The company has credit lines which cover any unforeseen requirements.

Note 15 provides a breakdown of financial liabilities by due date.

Market risk

The market risk mainly concerns currency and interest rate risks.

Currency risk

Cementir Holding N.V. is directly exposed to currency risk to a limited degree in relation to loans and deposits held in foreign currency. The Company constantly monitors these risks so as to assess any impact in advance and take any necessary mitigating actions.

Interest rate risk

As Cementir Holding NV has floating rate bank loans, it is exposed to the risk of fluctuations in interest rates. This risk is considered moderate as the company's loans are currently only in euros and the medium to long-term interest rate curve is not steep. Having thoroughly assessed the level of rates expected and debt reduction timing based on cash forecasts, Interest Rate Swaps are agreed to partly hedge the risk.

Net financial debt at 31 December 2024 amounted to EUR 65,322 thousand (EUR 71,312 thousand in 2023) made up of current financial receivables and cash and cash equivalents for EUR 38,853 thousand, current loan liabilities for EUR 104,010 thousand and non-current loan liabilities of EUR 1,703 thousand, entirely regulated at a variable rate.

With respect to the floating rate on net financial debt, an annual 1% increase in interest rates, assuming all the other variables remain stable, would have had a negative effect on profit before taxes of EUR 0.7 million (EUR 0.8 million in 2023) and on equity of EUR 0.5 million (EUR 0.6 million at 31 December 2023). A similar decrease in interest rates would have an identical positive impact.

Climate Change

The cement industry's ability to reduce its CO2 emissions and respond to climate change has become a focus for investors. In 2021, the Cementir Group launched a project to implement the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosure) by committing to being transparent on the risks and opportunities related to climate change. Cementir is also committed to ensuring the transparency of its climate-related risks and opportunities in line with the EU Taxonomy. The identification, assessment and effective management of risks and opportunities related to climate change are fully integrated into the Group's risk management process.

As suggested by the TCFD, the Group monitors the risks and opportunities arising from the evolution of transition scenarios and the evolution of physical variables. For further details on the scenarios used, please see the description in the section “Environmental information – E1 Climate change”.

Physical variables are divided into two risk categories:

A. Acute: linked to the occurrence of extreme weather conditions such as cyclones, hurricanes or floods. Acute physical phenomena, in the various cases, are characterised by a notable intensity and a frequency of occurrence which is not high in the short term, but which, considering long-term scenarios, sees a clear increasing trend;
B. Chronic: refers to gradual and long-term changes in climate patterns (e.g., sustained high temperatures) that can cause sea-level rises or chronic heat waves.

Regarding to the energy transition process, towards a progressive reduction of carbon emissions, there are risks and opportunities linked to changes in the regulatory, technological, market and reputational context.

The Group has decided to align itself with the TCFD framework to clearly represent the types of risks and opportunities indicating how each of them must be managed. The effects were assessed over three time horizons: the short term (1-3 years), linked to the implementation of the Business Plan; the medium term until 2030 during which it will be possible to see the effects of the energy transition; the long term up to 2050 during which the Group is committed to achieving net-zero emissions along its entire value chain. As the TCFD states, the process of disclosing risks and opportunities related to climate change will be gradual and incremental from year to year.

For further details on the impact of climate change on company estimates and valuations, please see the section “Metrics and targets”.

It should also be noted that the analysis carried out did not reveal any uncertainty factors that could lead to significant adjustments to the company's estimates in the short/medium term.

30) Fair value hierarchy

IFRS 13 requires that assets and liabilities carried at fair value be classified using a hierarchy which reflects the sources of the inputs used to measure their fair value. The hierarchy consists of the following levels:

- Level 1: measurement of fair value using quoted prices on active markets for identical assets or liabilities.

- Level 2: measurement of fair value using inputs other than the quoted prices included within Level 1 which are directly observable (such as prices) or indirectly observable (i.e., derived from prices) on the market.

- Level 3: measurement of fair value using inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of assets and liabilities is classified as follows:

31 December 2024 (EUR'000)	**Note**	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment property	3	-	-	15,500	**15,500**
Total assets		**-**	**-**	**15,500**	**15,500**
Current financial liabilities (derivative instruments)	15	-	-	-	**-**
Total liabilities		**-**	**-**	**-**	**-**

31 December 2023 (EUR'000)	**Note**	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment property	3	-	-	17,650	**17,650**
Total assets		**-**	**-**	**17,650**	**17,650**
Current financial liabilities (derivative instruments)	15	-	251	-	**251**
Total liabilities		**-**	**251**	**-**	**251**

No transfers among the levels took place during 2024.

31) Related party transactions

Transactions performed by the Company with related parties are part of normal business operations and take place at arm’s-length conditions; there are no transactions of an atypical or unusual nature, outside the normal course of business. Loans granted to the subsidiaries Svim 15 Srl, and Basi 15 Srl, as described in Note 7. These loans are also described in Note 15 “Net Financial Debt”.

On 5 November 2010, the Board of Directors of Cementir Holding NV approved a new procedure for related party transactions complying with CONSOB guidelines, issued pursuant to CONSOB Resolution No. 17221 of 12 March 2010 and subsequent amendments and additions thereto. The procedure has been applicable starting from 1 January 2011. On 13 November 2019, the Board of Directors resolved to make a number of changes to the Related Party Transaction Procedure, following the conversion of Cementir Holding into a company under Dutch law. Finally, it should be noted that the procedure was again approved by the Board of Directors on 9 November 2020 during the periodic review of company procedures.

As required by CONSOB Communication No. 6064293 of 28 July 2006, related party transactions and their effects are reported in the table below:

Trade and financial transactions

Year 2024 (EUR'000)	**Trade receivables**	**Non-current financial assets**	**Current financial assets**	**Other current assets**	**Trade payables**	**Current and non-current financial**	**Other current liabilities**	**Balance**
Cimentas AS	-	-	-	-	-	-	(6,953)	**(6,953)**
Alfacem Srl	-	-	-	802	-	(102,074)	-	**(101,272)**
Basi 15 Srl	-	-	1,050	-	-	-	(313)	**737**
Svim 15 Srl	-	-	1,255	-	-	-	(75)	**1,180**
Aalborg Portland A/S	148	-	-	-	-	-	-	**148**
Lehigh White Cement Company	14	-	-	-	-	-	-	**14**
Aalborg Cement Company	-	-	11,255	-	-	-	-	**11,255**
White Cement Company	-	-	23,348	-	-	-	-	**23,348**
Aalborg Portland Digital S.r.l.	17	334	369	802	-	-	-	**1,522**
Spartan Hive SpA	-	109	121	13,023	-	(58)	-	**13,195**
Caltagirone SpA	130	-	-	-	(225)	-	-	**(95)**
Piemme SpA	-	404	446	-	-	-	-	**850**
Compagnie des Ciments Belges SA	6	-	-	-	-	-	-	**6**
Aalborg Portland Anqing CO. LTD.	11	-	-	-	-	-	-	**11**
Unicon NO AS	22	-	-	-	-	-	-	**22**
Unicon DK AS	117	-	-	-	-	-	-	**117**
Kudsk & Dahl AS	1	-	-	-	-	-	-	**1**
Aalborg Portland Island HF	1	-	-	-	-	-	-	**1**
Aalborg Portland Polska Sp.zoo	1	-	-	-	-	-	-	**1**
Aalborg Portland Australia Pty. Ltd.	1	-	-	-	-	-	-	**1**
Aalborg Portland France S.A.S.	3	-	-	-	-	-	-	**3**
AB Sydsten	3	-	-	-	-	-	-	**3**
Gaetano Cacciatore LLC	14	-	-	-	-	-	-	**14**
FGC SpA	-	-	-	-	-	(7)	-	**(7)**
ICAL SpA	-	-	-	-	-	(3,357)	-	**(3,357)**
Total related parties	**489**	**847**	**37,844**	**14,627**	**(225)**	**(105,496)**	**(7,341)**	**(59,255)**
Total financial statements	**501**	**872**	**39,853**	**15,450**	**(1,929)**	**(105,714)**	**(15,318)**	
% of item	**97.60%**	**97.13%**	**94.96%**	**94.67%**	**11.66%**	**99.79%**	**47.92%**	

Year 2023 (EUR'000)	**Trade receivables**	**Non-current financial assets**	**Current financial assets**	**Other current assets**	**Trade payables**	**Current and non-current financial**	**Other current liabilities**	**Balance**
Cimentas AS	-	-	-	-	-	-	-	**-**
Alfacem Srl	-	-	-	319	-	(81,751)	-	**(81,432)**
Basi 15 Srl	-	-	700	-	-	-	(202)	**498**
Svim 15 Srl	-	-	1,255	-	-	-	(66)	**1,189**
Aalborg Portland A/S	128	-	-	-	-	(12)	-	**116**
Lehigh White Cement Company	-	-	-	-	-	-	-	**-**
Aalborg Cement Company	-	-	10,407	-	-	-	-	**10,407**
White Cement Company	-	-	23,439	-	-	-	-	**23,439**
Aalborg Portland Digital S.r.l.	-	-	349	426	-	-	-	**775**
Spartan Hive SpA	5	-	113	10,909	-	(211)	-	**10,816**
Caltagirone SpA	30	-	-	-	(225)	-	-	**(195)**
Piemme SpA	-	-	450	-	-	-	-	**450**
Compagnie des Ciments Belges SA	-	-	-	-	-	-	-	**-**
Aalborg Portland Anqing CO. LTD.	-	-	-	-	-	-	-	**-**
Unicon NO AS	(1)	-	-	-	-	-	-	**(1)**
Unicon DK AS	-	-	-	-	-	-	-	**-**
Gaetano Cacciatore LLC	3	-	-	-	-	-	-	**3**
ICAL SpA	-	-	-	-	-	(1,536)	-	**(1,536)**
Total related parties	**165**	**-**	**36,713**	**11,654**	**(225)**	**(83,510)**	**(268)**	**(35,471)**
Total financial statements	**173**	**24**	**38,073**	**13,027**	**(1,689)**	**(110,826)**	**(6,792)**	
% of item	**95.38%**	**0.0%**	**96.43%**	**89.46%**	**13.32%**	**75.35%**	**3.95%**	

Trade receivables mainly refer to the invoicing for brand fees sent to Group companies.

Financial assets refer to the interest-bearing loans to White Cement Company (EUR 23,348 thousand), Aalborg Cement Company (EUR 11,255 thousand), Svim 15 Srl (EUR 1,255 thousand) and Basi 15 Srl (EUR 1,050 thousand). In addition, the item includes financial receivables arising from the sublease of part of the building at 200 Corso Francia with effect from 1 September 2019 and also relating to the renewal of the sublease contracts starting from January 2025, accounted for in accordance with IFRS 16, from Aalborg Portland Digital, Piemme and Spartan Hive

Current and non-current financial liabilities include interest-bearing cash pooling balances with Alfacem Srl (EUR 102,074 thousand).

Other current liabilities and other current assets mainly related to the effects of Cementir Holding NV and the companies Alfacem Srl, Spartan Hive SpA, Aalborg Portland Digital Srl, Basi15 Srl and Svim15 Srl joining the national tax consolidation scheme.

Revenue and costs

Year 2024 (EUR'000)	Operating revenue and other income	Financial income	Operating costs	Financial expense	Balance
Caltagirone SpA	-	-	(450)	-	**(450)**
Cimentas AS	2,910	589	(6,953)	-	**(3,454)**
Alfacem Srl	8	-	-	(5,748)	**(5,740)**
Basi 15 Srl	16	48	-	-	**64**
Svim 15 Srl	11	60	-	-	**71**
Cementir Espana	-	67,250	-	-	**67,250**
Aalborg Portland Holding A/S	-	-	-	-	**-**
Aalborg Portland A/S	708	-	-	(10)	**698**
Aalborg Cement Company	-	753	-	-	**753**
White Cement Company	-	1,696	-	-	**1,696**
Quercia Ltd	-	-	-	-	**-**
Sinai White Portland Cement Co.S.A.E.	-	-	-	-	**-**
Aalborg Portland Digital S.r.l.	406	10	(207)	-	**209**
Vianini Lavori SpA	-	-	-	-	**-**
Piemme SpA	81	14	-	-	**95**
Spartan Hive SpA	91	3	(96)	-	**(2)**
Compagnie des Ciments Belges SA	2,735	-	-	(10)	**2,725**
Compagnie des Ciments Belges France SA	-	-	-	-	**-**
Aalborg Portland Malaysia Sdn. BHD.	324	-	-	-	**324**
Kudsk & Dahl AS	11	-	-	-	**11**
Vianini Pipe Inc.	101	-	-	-	**101**
Gaetano Cacciatore LLC	25	-	-	-	**25**
Unicon NO AS	529	-	-	-	**529**
Unicon DK AS	426	-	-	-	**426**
Aalborg Portland Anqing CO. LTD.	383	-	-	-	**383**
FGC SpA	-	-	-	(7)	**(7)**
ICAL SpA	-	-	-	(46)	**(46)**
Total related parties	**8,765**	**70,423**	**(7,706)**	**(5,821)**	65,661
Total financial statements	**8,766**	**73,130**	**(22,654)**	**(9,564)**	
% of item	**99.99%**	**96.30%**	**34.02%**	**60.86%**	

Year 2023 (EUR'000)	**Operating revenue and other income**	**Financial income**	**Operating costs**	**Financial expense**	**Balance**
Caltagirone SpA	-	-	(450)	-	**(450)**
Cimentas AS	2,778	-	-	-	**2,778**
Alfacem Srl	8	-	-	(3,434)	**(3,426)**
Basi 15 Srl	16	25	-	-	**41**
Svim 15 Srl	11	53	-	-	**64**
Cementir Espana	-	66,606	-	-	**66,606**
Aalborg Portland Holding A/S	-	-	-	-	**-**
Aalborg Portland A/S	764	-	-	(62)	**702**
Aalborg Cement Company	-	520	-	-	**520**
White Cement Company	-	1,217	-	-	**1,217**
Quercia Ltd	-	-	-	-	**-**
Sinai White Portland Cement Co.S.A.E.	-	-	-	-	**-**
Aalborg Portland Digital S.r.l.	406	25	(118)	-	**313**
Vianini Lavori SpA	-	-	(42)	-	**(42)**
Piemme SpA	102	33	-	-	**135**
Spartan Hive SpA	91	8	(96)	-	**3**
Compagnie des Ciments Belges SA	2,807	-	-	(62)	**2,745**
Compagnie des Ciments Belges France SA	-	-	-	-	**-**
Aalborg Portland Malaysia Sdn. BHD.	342	-	-	-	**342**
Kudsk & Dahl AS	9	-	-	-	**9**
Vianini Pipe Inc.	111	-	-	-	**111**
Gaetano Cacciatore LLC	17	-	-	-	**17**
Unicon NO AS	617	-	-	-	**617**
Unicon DK AS	398	-	-	-	**398**
Aalborg Portland Anqing CO. LTD.	514	-	-	-	**514**
ICAL SpA	-	-	-	(115)	**(115)**
Total related parties	**8,991**	**68,487**	**(706)**	**(3,673)**	**73,099**
Total financial statements	**9,068**	**74,566**	**(12,121)**	**(10,291)**	
% of item	**99.15%**	**91.85%**	**5.82%**	**35.69%**	

Revenues to subsidiaries Cimentas AS, Aalborg Portland A/S, Compagnie des Ciments Belges SA, Aalborg Portland Malaysia Sdn. BHD, Kudsk & Dahl AS, Vianini Pipe Inc., Gaetano Cacciatore LLC, Unicon NO AS, Unicon DK AS and Aalborg Portland Anqing CO. LTD relate to fees inherent to the Trademark License Agreement), while for the subsidiaries Spartan Hive SpA, Alfacem Srl, Basi 15 Srl, Svim 15 Srl and Aalborg Portland Digital Srl, revenues refer only to fees relating to centralised activities as regulated by Cementir Group Intercompany Service Agreement.

Financial income from Cementir Espana and Cimentas AS includes dividends (EUR 67,250 thousand and EUR 589 thousand respectively); Financial income from Aalborg Cement Company and White Cement Company relates to interest accrued on loans granted.

The operating costs from Spartan Hive SpA (EUR 96 thousand) are related to purchasing services, the operating costs from Aalborg Portland Digital Srl (EUR 207 thousand) and from Caltagirone SpA (EUR 450 thousand) refer to consultancy services, while the operating costs from Cimentas AS (EUR 6,953 thousand) concern the disputes filed on 29 January 2017 by Capital Market Board (CMB), please see the notes 18).

Financial expense with Alfacem Srl concern interest on cash pooling with Alfacem for EUR 5,748 thousand.

32) Independent auditors' fees

Fees paid, excluding expenses and VAT, in 2024 to the independent auditors totalled approximately EUR 675 thousand, including EUR 331 thousand for audit services and EUR 344 thousand for other services (EUR 553 thousand in 2023 of which EUR 300 thousand for audit services and EUR 253 thousand for other services).

33) Director's remuneration

Compensation paid in financial year 2024 totalled EUR 7,806 thousand (EUR 6,764 thousand in 2023) as shown below:

(EUR'000)	**2024**	**2023**
Fixed Remuneration	1,957	1,973
Compensation for participation in committees	149	146
Variable Compensation	5,422	4,367
Non monetary benefits	18	18
Other fees	260	260
Total	**7,806**	**6,764**

The variable remuneration of directors and the portion of variable remuneration for key management personnel, shown in the table below, mainly relates to short-term benefits, which were not paid as of 31 December 2024.

The table below shows the compensation paid in Financial Year 2024

YEAR 2024

(EUR '000)	Fixed Remuneration					Variable compensation (non-equity)				
Director's name, position	Attendance fee Board of Directors	Remuneration approved by the Shareholders' Meeting or the Board of Directors	Compensation from employment	Compensation for participation in committees	Committee Attendance Fee	Bonuses and other incentives	Non monetary benefits	Other remuneration*	Total	Percentage of fixed and variable remuneration
BOARD OF DIRECTORS										
Francesco Caltagirone, Chairman of the Board of Directors and CEO***	4	1,805	80			5,422	18		7,329	74% variable remuneration 26% fixed remuneration
Alessandro Caltagirone, Non-Executive Director and Vice-Chairman	4	5							9	100% fixed remuneration
Azzurra Caltagirone, Non-Executive Director and Vice-Chairman	5	5							10	100% fixed remuneration
Saverio Caltagirone, Non-Executive Director	5	5							10	100% fixed remuneration
Fabio Corsico, Non-Executive Director*	4	5						260	269	100% fixed remuneration
Annalisa Pescatori, Independent Non-Executive Director, Chair of the Remuneration and Nomination Committee, member of the Audit Committee and the Sustainability Committee	5	5		50	3				63	100% fixed remuneration
Benedetta Navarra, Independent Non-Executive Director, Chair of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	5	5		50	3				63	100% fixed remuneration
Adriana Lamberto Floristan, Senior Non-Executive Independent Director, member of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	5	5		40	3				53	100% fixed remuneration
KEY MANAGEMENT										
Key Executives:**			4,358			1,948	488		6,795	29% variable remuneration 71% fixed remuneration
TOTAL:	**37**	**1,840**	**4,439**	**140**	**9**	**7,370**	**506**	**260**	**14,601**	

* Consultancy contract
** Including Group COO, Group CFO, Heads of Region and Business Unit Managing Directors
*** Also holds the position of Chairman of the Sustainability Committee for which he receives no remuneration

The table below shows the compensation paid in Financial Year 2023:

YEAR 2023 **(EUR ’000)**	**Fixed Remuneration**					**Variable compensation (non-equity)**				
Director's name, position	**Attendance fee** Board of Directors	**Remuneration approved by the Shareholders' Meeting or the Board of Directors**	**Compensation from employment**	**Compensation for participation in committees**	**Committee Attendance Fee**	**Bonuses and other incentives**	**Non monetary benefits**	**Other remuneration***	**Total**	**Percentage of fixed and variable remuneration**
BOARD OF DIRECTORS										
Francesco Caltagirone, Chairman of the Board of Directors and CEO***	6	1,805	80			4,367	18		6,277	70% variable remuneration 30% fixed remuneration
Alessandro Caltagirone, Non-Executive Director and Vice-Chairman	6	5							11	100% fixed remuneration
Azzurra Caltagirone, Non-Executive Director and Vice-Chairman	6	5							11	100% fixed remuneration
Saverio Caltagirone, Non-Executive Director	5	5							10	100% fixed remuneration
Fabio Corsico, Non-Executive Director*	6	5						260	271	100% fixed remuneration
Annalisa Pescatori, Independent Non-Executive Director, Chair of the Remuneration and Nomination Committee, member of the Audit Committee and the Sustainability Committee	4	3		33	1				41	100% fixed remuneration
Benedetta Navarra, Independent Non-Executive Director, Chair of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	4	3		33	1				41	100% fixed remuneration
Adriana Lamberto Floristan, Senior Non-Executive Independent Director, member of the Audit Committee, member of the Remuneration and Nomination Committee and the Sustainability Committee	6	5		27	2				40	100% fixed remuneration
DIRECTORS LEAVING OFFICE DURING 2023										
Edoardo Caltagirone, Non-Executive Director	0	2							2	100% fixed remuneration
Paolo Di Benedetto, Senior Independent Non-Executive Director, member of the Audit Committee and member of the Remuneration and Nomination Committee	2	2		13					17	100% fixed remuneration
Chiara Mancini, Independent Non-Executive Director, Chair of the Remuneration and	2	2		17	1				22	100% fixed remuneration

Nomination Committee, member of the Audit Committee and the Sustainability Committee										
Veronica De Romanis, Independent Non-Executive Director, Chair of the Audit Committee and member of the Remuneration and Nomination Committee and the Sustainability Committee	2	2		17	1				22	100% fixed remuneration
KEY MANAGEMENT										
Key Executives:**			3,999			1,787	493		6,279	28% variable remuneration 72% fixed remuneration
TOTAL:	**49**	**1,843**	**4,079**	**140**	**6**	**6,154**	**512**	**260**	**13,043**	

* Consultancy contract
** Including Group COO, Group CFO, Heads of Region and Business Unit Managing Directors
*** Also holds the position of Chairman of the Sustainability Committee for which he receives no remuneration

34) Off balance sheet liabilities

Regarding pledge as collateral for banks loans refer to note 15.

35) Events after the reporting period

In early January, the Company waived the repayment of EUR 1,050 thousand as a share of the interest-bearing loan to the subsidiary BASI 15 Srl, in exchange for the establishment of a reserve for a future capital increase.

On 28 January 2025, the dispute brought on 29 January 2017 by Capital Market Board (CMB) was finally settled with the payment by the defendant in favour of Cimentas AS of the equivalent of EUR 6.9 million.

PROPOSED ALLOCATION OF THE LOSS FOR THE YEAR 2024 OF CEMENTIR HOLDING NV

The Board of Directors proposes that the General Meeting:

- approve the company financial statements as at and for the year ended 31 December 2024 – including the statement of financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and these notes – showing a profit of EUR 45,779,483;
- to assign to the Shareholders, as a dividend, an amount equal to EUR 43,545,600, net of treasury shares, in the amount of EUR 0.28 per ordinary share, gross of any statutory withholdings, using the profit for the year for EUR 43.545.600 and to allocate the remaining part of the profit for the year to be carried forward for EUR 2.233.883.

Rome, 11 March 2025

Chairman of the Board of Directors

/f/ Francesco Caltagirone Jr.

/f/ Alessandro Caltagirone

/f/ Azzurra Caltagirone

/f/ Saverio Caltagirone

/f/ Fabio Corsico

/f/ Adriana Lamberto Floristan

/f/ Annalisa Pescatori

/f/ Benedetta Navarra

OTHER INFORMATION

Statutory provisions on the allocation of profits

With regard to the allocation of profits, Article 10 of the Articles of Association provides as follows:

The Articles of Association provide that the annual profit earned may be allocated in whole or in part to reserves. The residual profit is at the free disposal of the Shareholders' Meeting.

Branches offices and of the countries in which there are branch offices

The company, Cementir Holding N.V., has its registered office in Amsterdam, The Netherlands and a secondary headquarter at Corso di Francia no. 200, 00191 Rome, Italy.

Independent auditor's report

To: the general meeting of Cementir Holding N.V.

Report on the audit of the financial statements 2024

Our opinion

In our opinion, the financial statements of Cementir Holding N.V. ('the Company') give a true and fair view of the financial position of the Company and the Group (the Company together with its subsidiaries) as at 31 December 2024, and of its result and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2024 of Cementir Holding N.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The financial statements comprise:

- the consolidated and company statement of financial position as at 31 December 2024;
- the following statements for 2024: the consolidated and company income statement, the consolidated and company statements of comprehensive income, changes in equity and cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Cementir Holding N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the ‘Wet toezicht accountantsorganisaties’ (Wta, Audit firms supervision act), the ‘Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten’ (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the ‘Verordening gedrags- en beroepsregels accountants’ (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Overview and context

Cementir Holding N.V. is a multinational company offering innovative building solutions in 70 countries worldwide, is the global leader in white cement and has a diversified business portfolio of cement, aggregates, concrete and value-added products. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section ‘The scope of our group audit’. We paid specific attention to the areas of focus driven by the operations of the Group, as set out below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the board of directors made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In these considerations, we paid attention to, amongst others, the assumptions underlying the physical and transition risk related to climate change.

In the notes to the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty, complexity and the related higher inherent risks of material misstatement in the recoverability of goodwill, we considered this matter as key audit matter as set out in the section ‘Key audit matters’ of this report.

Other areas of focus, that were not considered as key audit matters, were hyperinflation in Türkiye, climate change and environmental requirements and valuation of investment property in Türkye.

There is increasing attention for climate change and environmental requirements and the impact on companies and their operations, as well as the impact of companies on their environment. The Company assessed the possible effects of climate change and its plans to meet the emissionZERO® commitments on its financial position.

In the ‘Climate change’ section in the directors’ report and in the consolidated financial statements, the board of directors reflected on climate-related risk and opportunities. It is management’s assessment that the future estimates and judgements underlying the carrying amounts of assets or liabilities will be influenced by the entity’s response to climate-related risks.

We discussed management’s assessment and governance thereof and evaluated the potential impact on the financial position including underlying assumptions and estimates. The board of directors concluded that the climate change has no significant impact on the recoverability of the carrying amounts of the assets as at 31 December 2024. Please also refer to the key audit matter ‘Recoverability of goodwill’.

We ensured that the audit teams at both group and component level included the appropriate skills and competences which are needed for this audit. We therefore included experts and/or specialists in the areas of amongst others, valuations, IT and corporate income taxes in our team.

The outline of our audit approach was as follows:

Materiality
• Overall materiality: €15,000,000 for the consolidated financial statements and €3,500,000 for the company financial statements.
Audit scope
• We conducted audit work on 19 components in 10 locations organised in four sub-group components: Italy, Denmark, Türkiye, and Belgium. • We performed physical site visits in three countries and conducted several virtual meetings during the audit – which involved all of the sub-group components in scope. • Audit coverage: 91% of consolidated revenue, 90% of consolidated total assets and 80% of consolidated profit before tax.
Key audit matters
• Recoverability of goodwill.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section ‘Our responsibilities for the audit of the financial statements’.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€ 15,000,000 (2023: € 15,200,000) for the consolidated financial statements and € 3,500,000 (2023: € 3,900,000) for the company financial statements.
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 0.9% of total revenues. For the company financial statements, we used 0.9% of total assets.
Rationale for benchmark applied	We used total revenues as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that total revenues are an important metric for the financial performance of the Group. Additionally, revenues are less volatile than other benchmarks. We consider total assets as the most appropriate benchmark for the company financial statements given the primary nature of the parent company's activities, as holding of investments.
Component materiality	Based on our judgement, we allocate materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between €3.5 million and €14 million.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the audit committee that we would report to them any misstatement identified during our audit above €750,000 (2023: €760,000) for the consolidated financial statements and €350,000 (2023: €390,000) for the company financial statements as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Cementir Holding N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Cementir Holding N.V.

We are responsible for the identification and assessment of the risks of material misstatement of the financial statements of the group, including those with respect to the consolidation process. Based on our risk assessment, we tailored the scope of our audit to ensure that we, in aggregate, performed sufficient work on the financial statements to enable us to provide an opinion on the financial statements as a whole, taking into account the management structure of the Group, the nature of operations of its components, the accounting processes and controls, and the markets in which the components of the Group operate.
In establishing the overall group audit strategy and plan, we determined the type of work required to be performed at component level by the group engagement team and by each component auditor.

Our audit primarily focused on the significant components of the Group, due to size and risk: (i) Cementir Holding N.V., (ii) Aalborg Portland sub-group (Denmark), (iii) Çimentaş sub-group (Türkiye), (iv) Compagnie des Ciments Belges CCB sub-group (Belgium).

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenue	91%
Total assets	90%
Profit before tax	80%

None of the remaining components represented more than 2% of total group revenue or total group assets. For those remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

Where component auditors performed the work, we determined the nature, timing and extent of direction and supervision of the component auditors and review of their work to be able to conclude whether we had obtained sufficient and appropriate audit evidence as a basis for our opinion on the consolidated financial statements as a whole.

We issued instructions to the component audit teams in our audit scope. These instructions included, amongst others, our risk analysis, materiality, and the scope of the work. We explained to the component audit teams the structure of the Group, the main developments that were relevant for the component auditors, the risks identified, the materiality levels to be applied and our global audit approach. We had individual video or physical meetings with each of the in-scope sub-group component audit teams both during the year and upon conclusion of their work. During these calls, we discussed the significant accounting and audit issues identified by the component auditors, their reports, the findings of their procedures and other matters, that could be of relevance to the consolidated financial statements. The group engagement team visits the component teams and local management on a rotational basis. In the current year, the group audit team visited the Çimentaş sub-group (Türkiye) component and the Lehigh White Cement Company (USA) and the Aalborg Portland Anqinq (China) components given the importance of the components for the overall group. We held conference calls and video conference meetings with the teams and local management of all the sub-group components in Denmark and Belgium. For each of the sub-group components we reviewed selected working papers of the respective component auditors. During the meetings with local management, we discussed strategy and finance performance of the local businesses, among other things. The group engagement team performed the audit work on the group consolidation, financial statements and disclosures.

By performing the procedures outlined above at the components, combined with additional procedures exercised at group level, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Cementir Holding N.V. and its environment and the components of the internal control system. This included the board of directors' risk assessment process, the board of directors' process for responding to the risks of fraud and monitoring the internal control system and how the board of directors exercises oversight, as well as the outcomes. We refer to the section 'Internal control system for fraud risk management' of the directors' report where the board of directors reflects on its response to fraud risk.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and, in particular, the fraud risk assessment, as well as, among others, the code of conduct, whistleblower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the board of directors as well as the internal audit department, legal affairs, compliance department, chief financial officer ,human resources, procurement department and regional directors whether they are aware of any actual or suspected fraud, including incidents noted within the Group through the whistleblower process or otherwise. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
Management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • the appropriateness of journal entries and other adjustments made in the preparation of the financial statements; • significant estimates; • significant transactions, if any, outside the normal course of business for the entity. We pay particular attention to tendencies due to possible interests of management.	We evaluated the design and implementation of the internal control measures and assessed the effectiveness of the measures in the processes of generating and processing journal entries and making estimates. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We performed data analysis on high-risk journal entries as part of which we also paid attention to significant transactions outside the normal course of business. Where we identified instances of unexpected journal entries through our data analytics, we performed additional audit procedures to address each identified risk. These procedures included reconciliation with and inspection of transactions to source information. We paid specific attention to consolidation and elimination entries which included reconciliation with and inspection of underlying information. We evaluated key estimates and judgements for bias by management, including retrospective reviews of prior year's estimates. In this context we paid specific attention to the recoverability of the goodwill. We refer to the section 'Key audit matters' for detailed procedures. We performed the review of minutes of the meetings of corporate bodies.

Identified fraud risks	Our audit work and observations
	Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of internal controls.
The risk of fraudulent financial reporting due to overstating revenue The risk of fraud in revenue recognition is a presumed significant risk in all our audits. Revenue is an important measure for the company due to growth targets. These specific targets could lead to pressure on management in terms of overstating revenue. Therefore, we concluded that the risk of fraud in revenue recognition relates to the assertion existence/ occurrence.	We assessed the design and implementation of the internal controls and their effectiveness in the processes of recording revenues. We performed substantive procedures such as reconciliation with and inspection of revenue to underlying documentation. We performed specific tests in order to search for unusual/unexpected transactions. Finally, we selected journal entries based on specific risk criteria and performed substantive audit procedures for these entries. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence/occurrence of the revenue reporting.

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Audit approach going concern

We concluded that the board of directors' use of the going concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The board of directors prepared the financial statements on the assumption that the entity is a going concern and that it will continue all its operations for at least twelve months from the date of preparation of the financial statements.

Our procedures to evaluate the board of directors' going-concern assessment included, amongst others:

- considering whether the board of directors identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going-concern risks);
- considering whether the board of director's going concern assessment includes all relevant information of which we are aware as a result of our audit, inquiry with management regarding management's most important assumptions underlying their going concern assessment and considering whether management has identified any events or conditions that may cast a significant doubt on the Company's ability to continue as a going concern. These most important considerations include analysing the financial position per balance sheet date compared to prior year as well as the liquidity scenarios, financial stress tests and sensitivity analysis, including the assessment of the debt/EBITDA ratio's for the financing facilities of the company, to assess whether events or circumstances exist that may lead to a going concern risk;

- evaluating the board of directors' current budget including cash flows for at least 12 months from the date of preparation of the financial statements taken into account current developments in the industry and all relevant information of which we were aware as a result of our audit;
- analysing whether the current operating plan for 2025 to 2027 including cash flows in comparison with last year, current developments in the industry and all relevant information of which we are aware as a result of our audit;
- performing inquiries of the board of directors as to its knowledge of going-concern risks beyond the period of the board of directors' assessment.

Our procedures did not result in outcomes contrary to the board of directors' assumptions and judgments used in the application of the going-concern assumption.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the board of directors and to the Audit Committee. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

We did not identify any key audit matters for the audit of the company financial statements.

Key audit matter	**Our audit work and observations**
Recoverability of goodwill *Refer to note 2 of the consolidated financial statements: intangible assets with an indefinite useful life (goodwill)* The carrying value of goodwill as at 31 December 2024 is € 448 million. The Company conducts an annual goodwill impairment test as at the year-end or when circumstances indicate that the carrying value of goodwill may be impaired. Based on the annual goodwill impairment test in the current year, no impairment charge was recorded. The annual evaluation of the recoverability of this intangible asset is linked to the occurrence of the assumptions underlying the group plans. This evaluation requires management to make complex estimates, especially with reference to the expected cash flows, the discount rate applied, the determination of the CGU, and the determination of the growth rate to be used to estimate the terminal value of each group of cash-generating units (groups of CGUs) to which goodwill has been allocated. At 31 December 2024, the Company grouped the CGUs on the basis of its operating segments, consistent with both the corporate organisation and the way management monitors performance.	In the context of the annual goodwill impairment test, we have performed procedures, with the support of our valuation specialists. Our audit procedures included, amongst others: • We gained an understanding of, and assessed the procedures adopted by management in order to verify the compliance with the requirements of 'IAS 36 – Impairment of Assets' adopted by the European Union. • We verified the reasonableness of the directors' assumptions used to estimate the expected cash flows and we verified the mathematical accuracy of the calculations prepared by management. • In order to assess the directors' forecast capacity, we have performed retrospective review procedures. • We also verified the consistency of the cash generating units identified (groups of CGUs and CGUs), to which goodwill was allocated compared with the previous year and their alignment with the organisational, management and operating structure of the Group. Additionally, we verified the consistency between assets and liabilities attributable to individual CGUs, including allocated goodwill, and the cash flows used for determining the related recoverable amount.

Key audit matter	Our audit work and observations
Management assessed the potential impact of climate-related risks on future expected cash flows and capital expenditure to invest in the reduction of the CO2 emission. This is not expected to have a material impact on the impairment assessment. We identified the evaluation of the recoverable amount of goodwill as a key audit matter due to significant estimates and assumptions about discount rates, profitability as well as growth rates.	• We analysed the significant assumptions applied in the determination of the discount rate (WACC) and growth rate used for the impairment test and we performed an independent recalculation using the parameters applicable to the Group. • We examined the sensitivity analyses performed by management in respect of the impact from possible changes in estimated cash flows, the long-term growth rates and discount rates used, on the recoverability of goodwill. • We assessed any indications of management bias in determining the significant assumptions. Finally, we verified the adequacy and completeness of the disclosures regarding assumptions and sensitivities in the explanatory notes. We identified no material exceptions.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The board of directors is responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

We were appointed as auditors of Cementir Holding N.V. This followed the passing of a resolution by the shareholders at the annual general meeting held on 20 April 2020. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of four years.

European Single Electronic Format (ESEF)

Cementir Holding N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the marked-up consolidated financial statements, as included in the reporting package by Cementir Holding N.V., complies in all material respects with the RTS on ESEF.

The board of directors is responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the board of directors combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;

- examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in note 37 to the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the board of directors

The board of directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company’s ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company’s ability to continue as a going concern.

The board of directors is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 13 March 2025
PricewaterhouseCoopers Accountants N.V.

Original has been signed by A.G.J. Gerritsen RA

Appendix to our auditor's report on the financial statements 2024 of Cementir Holding N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Limited assurance report of the independent auditor on the sustainability statement

To: the general meeting of Cementir Holding N.V.

Our limited assurance conclusion

Based on the procedures we have performed and the assurance evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement of Cementir Holding N.V. (the company) for 2024 is not, in all material respects,

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the process, carried out by the company, to identify the information to be reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation).

The subject matter of our limited assurance procedures

We have conducted a limited assurance engagement on the consolidated sustainability statement of Cementir Holding N.V., Amsterdam for 2024, included in section sustainability statement of the directors' report including the information incorporated in the sustainability statement by reference (hereafter: the sustainability statement).

In the sustainability statement, references are made to external sources or websites. The information on these external sources or websites is not subject to our limited assurance procedures for the sustainability statement. We therefore do not provide assurance on this information.

The basis for our conclusion

We conducted our limited assurance engagement in accordance with Dutch law, including the Dutch Standard 3810N 'Assuranceopdrachten inzake duurzaamheidsverslaggeving' (assurance engagements relating to sustainability reporting), which is a specific Dutch Standard that is based on the International Standard on Assurance Engagements (ISAE) 3000R 'Assurance engagements other than audits or reviews of historical financial information'. Our responsibilities under this standard are further described in the section 'Our responsibilities for the limited assurance engagement on the sustainability statement' of our report. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our independence and quality management

We are independent of Cementir Holding N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of ethics for professional accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of ethics for professional accountants).

PwC applies the applicable quality management requirements pursuant to the 'Nadere voorschriften kwaliteitsmanagement' (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Emphasis of matter

Emphasis on the double materiality assessment process

We draw attention to section "Materiality analysis and results according to the concept of double materiality" of the sustainability statement. The disclosure in this section explains possible future changes in the ongoing due diligence and double materiality assessment process, including engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts relevant for stakeholders as a group. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The sustainability statement may therefore not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder may consider important in its own assessment.

Our conclusion is not modified in respect of this matter.

Corresponding information not subject to assurance procedures

The corresponding information in the sustainability statement and thereto related disclosures with respect to previous years have not been subjected to reasonable or limited assurance procedures.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with the ESRS, the board of directors of the company is required to prepare the forward-looking information based on disclosed assumptions about events that may occur in the future and possible future actions by the company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur. We do not provide assurance on the achievability of this forward-looking information.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Calculations to determine information as included in the sustainability statement could be based on assumptions and sources from third parties that include information about, among others, value chain and information collected from actors in the value chain, when appropriate. We have not performed procedures on the content of these assumptions and these external sources, other than evaluating the suitability and plausibility of these assumptions and sources from third parties used.

Responsibilities for the sustainability statement and for the limited assurance procedures thereon

Responsibilities of the board of directors and the sustainability committee for the sustainability statement

The board of directors of Cementir Holding N.V. is responsible for the preparation of the sustainability statement in accordance with ESRS, including the development and implementation of the double materiality process, which is a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this process in the sustainability statement.

This responsibility includes:

- understanding the context in which Cementir Holding N.V.'s activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the company's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions and estimates that are reasonable in the circumstances.

The board of directors is also responsible for preparing the disclosures in compliance with the reporting requirements provided in the Taxonomy Regulation.

The board of directors is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The sustainability committee is responsible for overseeing the company's sustainability reporting process including the double materiality process carried out by the company.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient appropriate assurance evidence to provide a basis for our conclusion.

Our objectives are to obtain a limited level of assurance, as appropriate, about whether the sustainability statement is free from material misstatements, and to issue a limited assurance conclusion in our report. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement. The procedures vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance obtained in a reasonable assurance engagement.

Our other responsibilities in respect of the limited assurance engagement on the sustainability statement include:

- Performing risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the assurance engagement, in accordance with the Dutch Standard 3810N, ethical requirements and independence requirements. Our procedures included, amongst others, the following:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources to assess the process to identify the information to be reported carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned activities and prepare the disclosures provided for in the Taxonomy Regulation, without testing the operating effectiveness of controls.
- Assessing the double materiality process carried out by the company and identifying and assessing areas of the sustainability statement, including the disclosures provided for in the Taxonomy Regulation where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise. We designed and performed further assurance procedures aimed at determining that the sustainability statement is free from material misstatements responsive to this risk analysis.

- Considering whether the description of the process to identify the information to be reported in the sustainability statement made by the board of directors appears consistent with the process carried out by the company.
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information. Assessing whether the company’s methods for developing estimates are appropriate and have been consistently applied for selected disclosures. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the company’s estimates.
- Analysing, on a limited sample basis, relevant internal and external documentation at the level of the company (including other entities or value chain from which the information may stem) for selected disclosures.
- Determining the nature and extent of the procedures to be performed for the group components. For this, the nature, extent and/or risk profile of these components are decisive. Our procedures were performed centrally.
- Determining the nature and extent of the procedures to be performed for the locations. For this, the nature, extent and/or risk profile of these locations are decisive. Based thereon, we selected the locations to visit. The (remote) visits to Aalborg and Türkiye were aimed at, on a local level, validating source data and obtaining through inquiries a general understanding of the control environment, processes and information relevant to the preparation of the indicators.
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement.
- Considering whether the disclosures provided to address the reporting requirements provided for in the Taxonomy Regulation for each of the environmental objectives, reconcile with the underlying records of the company and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical criteria are met, and whether the accompanying key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework, and comply with the reporting requirements provided for in the Taxonomy Regulation, including the format in which the activities are presented.
- Reconciling the relevant financial information to the financial statements.
- Considering the overall presentation, structure and the balanced content of the sustainability statement, including the reporting requirements provided for in the Taxonomy Regulation.
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether the sustainability statement as a whole, including the sustainability matters and disclosures, is clearly and adequately disclosed in accordance with ESRS.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the limited assurance engagement and significant findings that we identify during our limited assurance engagement.

Amsterdam, 13 March 2025
PricewaterhouseCoopers Accountants N.V.

Original has been signed by A.G.J. Gerritsen RA