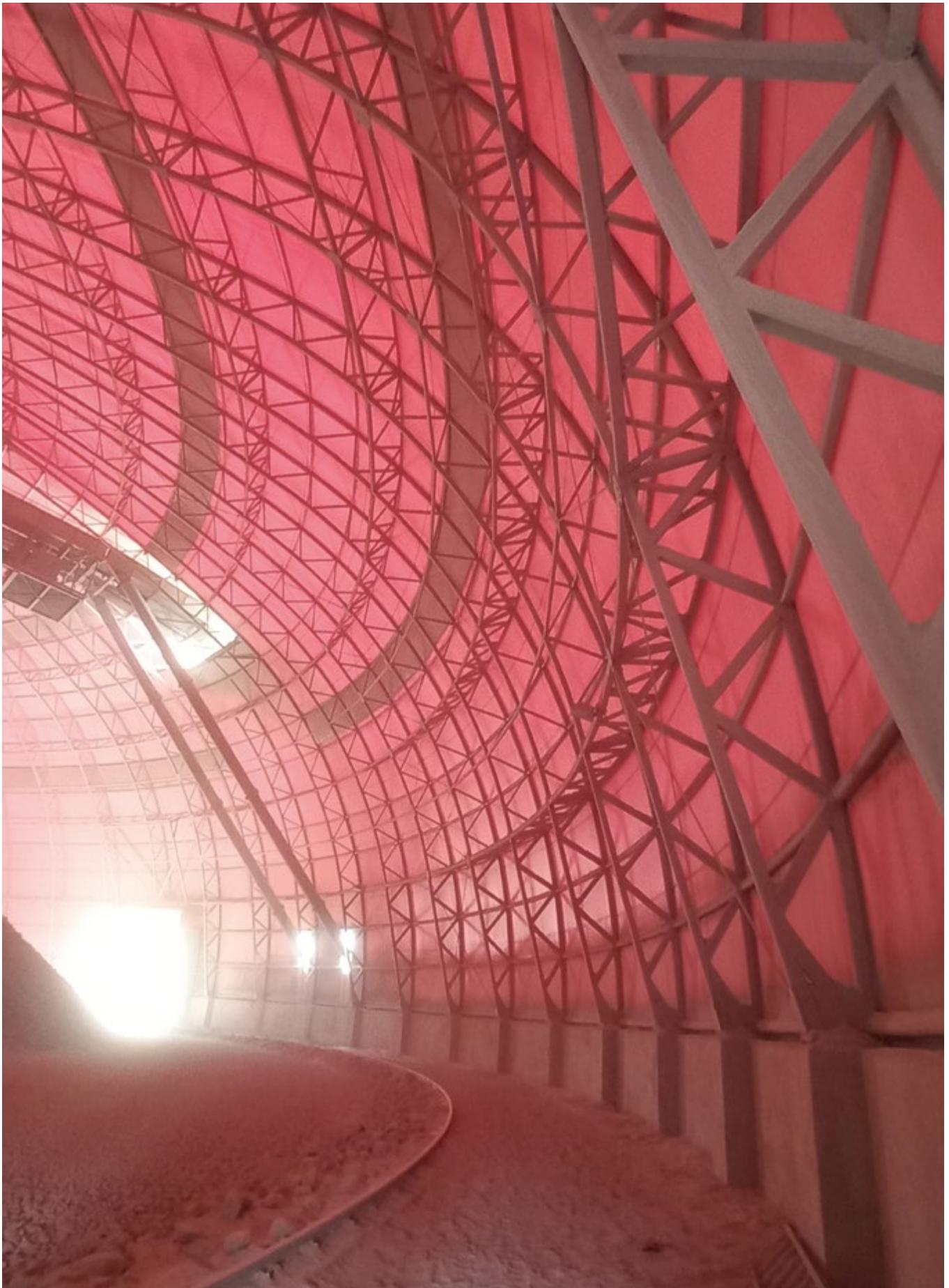


2023 STATEMENT
OF EXTRA-FINANCIAL
PERFORMANCE

**Build together,
live together**





2023 Statement of Extra-Financial Performance

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VICAT'S BUSINESS MODEL

MEGATRENDS

POPULATION GROWTH

Our resources

INDUSTRIAL HERITAGE

- Modern, constantly-evolving high-performance industrial facilities close to their markets. **16** cement plants throughout the world, **273** concrete-batching plants, **71** aggregate quarries.
- Self-generation of **156** GWh of renewable electric energy.
- **7** subsidiaries devoted to circular economy (Altola, Alternative, Bioval, CIRCULère, Çözüm, Terenvie, Vito Recycling).

NATURAL CAPITAL

- Extensive mineral rights guaranteeing access to reserves for the long term.
- Rich, diversified landholding respectful of biodiversity and ecosystems: forests, wetlands, nature reserves.

HUMAN CAPITAL

- Occupational health and safety an essential priority
Goal: **Zero accidents**.
- **9,993** committed, passionate employees sharing company values in **12** countries. **94%** of employees on open-term contracts.
- High-quality social dialog based on mutual respect.
- **100%** gender pay equity (see corporate website vicat.com).
- Goal: **100%** of personnel aware of energy-transition issues.
- Close to **100%** of general-management positions occupied by local nationals in the **12** countries where we work.

SOCIETAL CAPITAL

- Constant dialog of trust with stakeholders (populations, partners, suppliers, customers, scientific and technical communities, local bodies, not-for-profits, etc.).
- Territorial identity in each of the **12** countries where we work.
- **2** corporate foundations: Fondation Louis Vicat and Fondation Sococim (Senegal).
- Supplier relations focused on top-rate, responsible, local suppliers (**65%** of purchases made in the economies where we work).
- Committed to social inclusion.

ECONOMIC AND FINANCIAL CAPITAL

- Enduring family-based majority shareholding.
- Geographically diversified generation of cash flow (**69%** in developed countries, **31%** in emerging markets).
- Financial solidity – high equity (**€3 billion**) – controlled, diversified debt (5-year average maturity).

INTELLECTUAL CAPITAL

- Artificial cement invented by Louis Vicat in 1817.
- Recognized know-how and technical excellence in the Cement, Ready-Mixed Concrete, and Aggregate businesses.
- **100%** of top management trained in ethics and compliance.
- Innovation: modern R&D center focused on product and process innovation (**140** engineers and technicians).

Our activities



Our strategic focuses

Role as a cement manufacturer serving our customers

SOCIAL AND SOCIETAL TRANSITION

ENVIRONMENTAL AND ENERGY
TRANSITION

Our value creation

PEOPLE

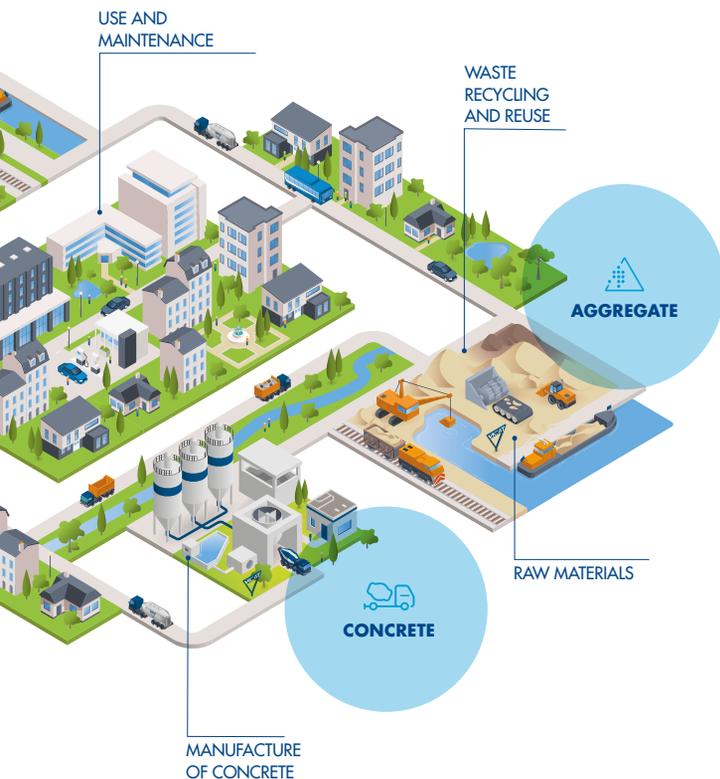
- Safety culture: constant improvement of the accident-frequency index (down **4.18%**) and accident-severity index (down **0.25%**).
- **100%** of employees have received safety training.
- Constant increase in the number of hours of training (**28.4 h** / person, up **35%** on 2022).
- Constant increase in the number of women employees, across all socio-economic categories (**12.1%** women).
- More than **94%** of direct jobs are under **open-term contracts**.
- **Zero tolerance** policy as regards discrimination, sexual and moral harassment, and sexist behavior.
- **100%** of businesses engaged in supporting local communities in 2023.
- **1,150** suppliers committed to safety.
- Louis Vicat / Sococim foundations: support for actions in favor of education, handicap awareness, culture, heritage, and entrepreneurship.

CREATION OF ECONOMIC VALUE
BY STAKEHOLDERS

- Customers: **€3.9 billion** (2023 sales).
- Employees: **€569-million** payroll.
- Suppliers: **€2.8 billion** paid to suppliers (Group scope, including energy).
- Shareholders: **€94 million** paid out to shareholders.
- Debt holders: **€50-million** debt burden.
- States: **€150 million** paid to national governments (direct and indirect taxes). More than **€720 million** of sales tax (VAT or equivalent) collected.
- Investment for future growth: **€300 million** (including decarbonization projects).

PLANET

- Biodiversity: **73%** of quarries have restoration plans.
- **4.5 million** metric tons of materials recycled, reused or repurposed.
- **520,700** metric tons of CO₂ emissions prevented (at constant cement volume).
- Fuel substitution rate: rise from **28.1%** in 2022 to **32.0%** in 2023 across the Group (equivalent to not burning **1,000,000** metric tons of coal), **72.7%** in Europe.
- Clinker content for equivalent cement reduction from **77.5%** in 2022 to **76.8%** in 2023.
- CDP ranking: **A-**.
- **61** projects involving decarbonization; **€39.8 million** for funding the projects.
- **8.8%** of electrical energy consumed is obtained through renewable self-generation (hydro, photovoltaic, waste heat).
- High-quality, **100%** sustainable, standards-compliant product and service offering for decarbonizing the value chain.



Continuous
commitment by the
workforce in local
economies

Driving force for
environmental and
energy transition

IDENTIFICATION AND ALIGNMENT OF TOP SUSTAINABILITY CHALLENGES

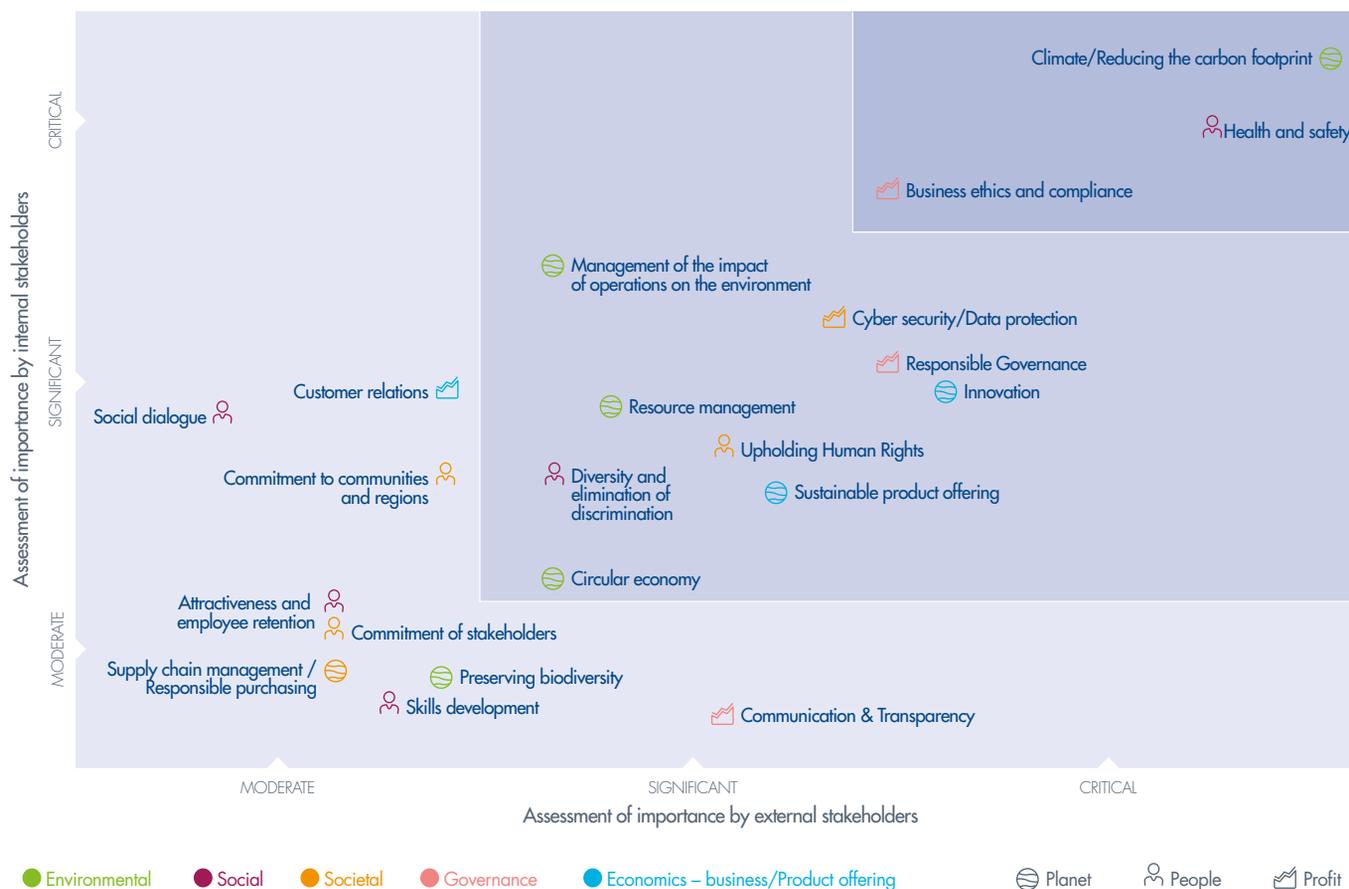
Vicat Group actively engages with its internal and external stakeholders in order to make every effort to achieve the shared sustainability vision. The stakeholders in question are:

- an increasing number of customers who are committed to carbon neutrality in certain regions;
- suppliers;
- investors, who are looking to see progress on reducing the carbon footprint;
- employees, whose health and safety are a major concern;
- the labor partners;
- the applicants or future talent who increasingly pick their employer based on their commitments and their progress in terms of CSR;
- public authorities who, particularly in Europe, are becoming more demanding in terms of the energy transition and the circular economy;

- local communities who directly or indirectly benefit from the value created by Vicat Group in the countries in which it operates;
- the public or private partners, institutions, schools, universities, etc.

This materiality analysis found that the following were of critical importance for Vicat Group:

- sustained business growth, reflecting the specific expectations of each market;
- the market roll-out of climate change adaptation solutions;
- the reduction in the carbon footprint of its products and solutions;
- process CO₂ capture, also called “hard to abate”, for utilization (CCU) or storage (CCS);
- the health and safety of the Group’s employees and stakeholders;
- business ethics and compliance.



Vicat Group retained an independent firm to update the materiality analysis. This update enabled Vicat Group to ensure that extra-financial challenges were being fully considered and that there was alignment on this with stakeholders and also to set out the Group’s sustainability priorities. The materiality analysis supplements

the internal risk mapping done by the Finance Department and the Compliance, Safety and Internal Audit Department. These risks are presented in chapter 2 of the Universal Registration Document. The importance of these two challenges can vary significantly across the regions in which the Group operates.

DESCRIPTION OF THE SUSTAINABILITY CHALLENGES

The challenges covered in the Statement of Extra-Financial Performance are the same ones already identified in the course of the materiality analysis and which were ranked as follows: **critical/important/moderate**.

Description of the challenges	Measures taken by the Group	Performance indicators	Contribution to the Sustainable Development Goals (SDGs)
ENVIRONMENT			
<p>Climate – Reducing the carbon footprint of operations and products</p> <p>Risk (versus opportunity) of not taking all necessary steps to mitigate the impact of the Group's operations and products and the efforts to combat global warming</p> <p>Risk of being impacted by the consequences of climate change: higher costs and impact on production (production shutdown, materials shortages, etc.)</p>	<p>Setting quantitative objectives for Scopes 1 and 2 for 2030 to further the 2050 goal of carbon neutrality</p> <p>Drawing up a Climate Plan that primarily focuses on:</p> <ul style="list-style-type: none"> Improving thermal and electrical energy efficiency Production of renewable and low-emissions energies Reduction in the carbon footprint of mobility Substitution of primary fossil fuels Reduction of clinker content in cement CO₂ capture, storage and utilization 	<p>Usage and production of electricity, including renewable electricity</p> <p>Rate of alternative fuels</p> <p>Clinker content of cement</p> <p>CO₂ emissions across Scopes 1, 2 and 3</p>	<p>SDG 13 "Climate action"</p> <p>SDG 9 "Industry, innovation and infrastructure"</p> <p>SDG 7 "Affordable and clean energy"</p>
<p>Management of the impact of operations on the environment</p> <p>Risk of not being able to reduce the environmental footprint of the Group's operations and products</p>	<p>Operating policy for industrial and environmental performance</p> <p>Sound efficient management of water resources and management of wastewater</p> <p>Sound efficient management of raw materials and the development of the circular economy</p> <p>Responsible waste management</p> <p>Protecting air quality</p>	<p>Water extraction, waste and usage</p> <p>Consumption involving substitution materials</p> <p>Emissions of dust, NOx and SO₂</p>	<p>SDG 6 "Clean water and sanitation"</p> <p>SDG 14 "Life below water"</p> <p>SDG 12 "Responsible consumption and production"</p>
<p>Protecting biodiversity</p> <p>Risk that the Group's operations will impact other species and their ecosystems</p>	<p>Policy to "Avoid, Reduce, Offset" net biodiversity loss</p> <p>Limited man-made influence</p> <p>Ambitious rehabilitation plan</p> <p>Voluntary actions and partnerships</p>	<p>Share of quarries with a rehabilitation plan</p> <p>Share of quarries with a biodiversity management plan or taking positive steps to promote biodiversity</p> <p>Surface area rehabilitated during the year</p> <p>Number of trees planted</p> <p>No. of visitor groups welcomed at the site over the year</p>	<p>SDG 15 "Life on land"</p> <p>SDG 14 "Life below water"</p>
<p>Sustainable product offering and Customer Relations</p> <p>Risk of product quality defect</p> <p>Risk of off-specification products</p> <p>Risk of failure to adapt products</p>	<p>Eco-design</p> <p>Quality management system</p> <p>Innovation policy</p> <p>DECA low-carbon offering</p> <p>Lythosys 3D printing offering</p>	<p>OFG (<i>Origine France Garantie</i>) label</p> <p>Number of patents filed</p> <p>Customer satisfaction</p>	<p>SDG 12 "Responsible consumption and production"</p> <p>SDG 11 "Sustainable cities and communities"</p>

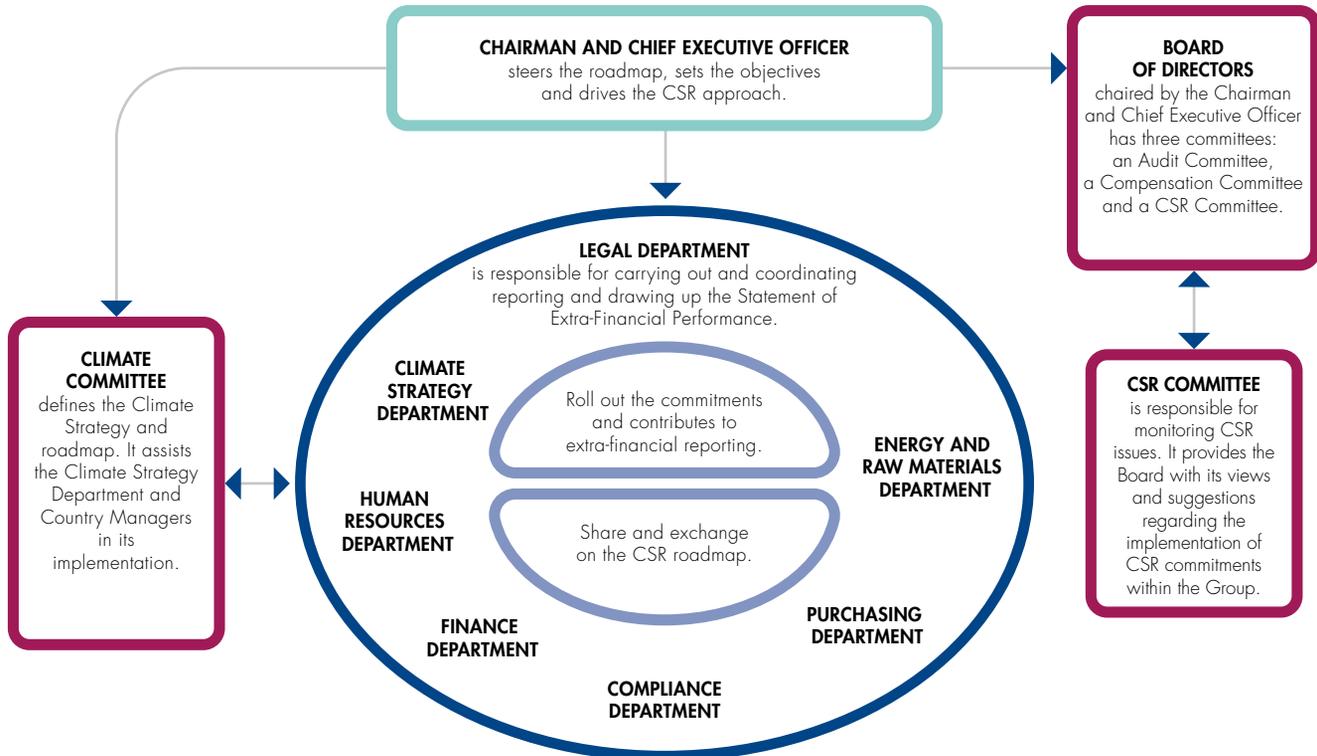
2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE

Description of the sustainability challenges

Description of the challenges	Measures taken by the Group	Performance indicators	Contribution to the Sustainable Development Goals (SDGs)
SOCIAL			
Human Health and Safety			
Likelihood that employees or subcontractors will be exposed to a hazardous situation (causing physical and/or psychological harm)	Zero accidents policy Training – Raising awareness Prevention	Frequency rate Severity rate	SDG 3 “Good health and well-being” SDG 8 “Decent work and economic growth”
Attractiveness and employee retention			
Risk of causing low employee engagement Risk of impacting productivity or the Group’s development	Managerial policy Career management and internal mobility Social dialogue Compensation policy	Turnover rate Average years of service Gender Equality Index	SDG 8 “Decent work and economic growth” SDG 5 “Gender equality”
Talent management and upskilling			
Risk of causing frustration amongst employees or slowing the Group’s momentum and performance	Training plan Digital transformation and energy saving plan Support for apprenticeships	Total number of hours of training Apprenticeship rate	SDG 8 “Decent work and economic growth” SDG 4 “Quality education” SDG 5 “Gender equality” SDG 10 “Reduced inequalities”
Equal opportunities			
Risk of discrimination	Diversity and inclusion policy Efforts to combat discrimination	Female employees as a percentage of the workforce Percentage of female managers Employment rate of people with disabilities in France	SDG 5 “Gender equality” SDG 10 “Reduced inequalities”
SOCIETAL			
Business ethics and compliance			
Risk of fraud, corruption, conflicts of interest, insider trading, anti-competitive practices Risk of intent to defraud or cause damage in tax matters	Code of Ethics Anti-corruption code of conduct Corruption risk mapping Training Oversight, whistleblower, audit and sanction mechanisms Tax policy	% of audits addressing compliance matters Change in the proportion of third parties assessed Change in the training coverage rate	SDG 16 “Peace, justice and strong institutions” SDG 8 “Decent work and economic growth”
Cybersecurity			
Risk of financial loss, business interruption or reputational damage to a company as a result of a failure in its IT systems.	Cybersecurity policy Data protection	/	SDG 8 “Decent work and economic growth”
Supply chain management and responsible purchasing			
Risk of impacting the Group’s operations, performance or reputation as a result of a failure in some part of the supply chain.	Purchasing Directive Supplier assessment procedure Responsible purchasing roadmap Supplier Code of Conduct Supplier mapping Broad use of CSR provisions in contracts	Average percentage of national purchasing Average proportion of revenue with SMEs Number of Supplier Codes of Conduct signed Average proportion of Group purchasing contracts that contain a specific CSR clause Proportion of Group buyers who received training on CSR and the UN SDGs Average percentage of supplier invoices paid by the due date	SDG 8 “Decent work and economic growth” SDG 13 “Climate action”
Commitments to communities and the socioeconomic development of the countries			
Risk of violating one of the fundamental human rights within the workplace or value chain.	Policy of building local roots through employment Local programs involving health, the environment, education, support for local events and entrepreneurship	Proportion of local employment Donations (in euros) Number of beneficiaries by category of most vulnerable stakeholders	SDG 10 “Reduced inequalities” SDG 3 “Good health and well-being” SDG 1 “No poverty” SDG 2 “Zero Hunger” SDG 16 “Peace, justice and strong institutions” SDG 17 Partnerships for the goals

GOVERNANCE ADAPTED TO THE CHALLENGES

Vicat Group's commitment to meeting the sustainability challenges is brought to life through structures and governance that bring together managers at all levels of the Group and the top of the organization.



The Board of Directors plays a key role in assessing risks and opportunities relating to the Climate and the reduction in the carbon footprint of the Vicat Group's operations and products. The Board, which meets at least three times a year, reviews any measures designed to mitigate and adapt to the effects of climate change arising from the climate plan: the investment program, the development of new low-carbon products and the signing of new strategic partnerships designed to help reduce the carbon intensity of the economy. In terms of implementing the sustainability strategy, the Board of Directors is supported by three committees, namely the Audit Committee, the Compensation Committee and the CSR Committee. The Audit Committee reviews the financial indicators presented by the Group with respect to the EU Taxonomy Regulation to assess the level of alignment with the sustainability objectives set out by the European Commission. It also assesses the work done by the Compliance, Safety and Internal Audit Department on business ethics. Furthermore, the CSR Committee reviews all CSR actions taken within Vicat Group over the course of the year.

In addition, the Group has established four quarterly operational committees chaired by the Chairman and Chief Executive Officer:

- (i) the Climate issues Committee, established in early 2020, brings together all members of General Management. Initially comprised of the directly affected departments, over the past number of years it has expanded to cover any complex climate matter on a fully cross-company basis. In 2022, the Human Resources Director and the Regulations and Subsidies Director were also included. In 2023, the Performance and Investments Directors and the Research and Development Director also joined this committee. This represents the cornerstone of responsible governance that is tailored to the importance and complexity of climate issues as part of its CSR approach. The Committee is responsible for a range of matters like: reviewing commitments, presenting stakeholder expectations, updating the Climate roadmap, reviewing the consolidation of collected data that are presented in the Statement of Extra-Financial Performance, sharing best practice, identifying new performance indicators;

- (ii) the Compliance and Audit Committee, established in 2019, is comprised of the Strategy Director, the Chief Operating Officers, the Deputy Chief Executive Officers, the Compliance, Safety and Internal Audit Director and the Internal Audit Director. This Committee provides a forum for regular updates on compliance and internal audit matters. The top priorities in terms of compliance are in particular the active participation of governing bodies, the assessment of third-party risk, the mapping of corruption and fraud risks, the gifts policy, the whistleblower procedure and follow-up, training on and the procedure governing the prevention and management of risks associated with international sanctions. As regards internal audit, the objective is to present action plans, with the main risks and areas identified as well as to track them and ensure that the audit plan is on track;
- (iii) the Occupational Health and Safety/HR Committee, established in 2021, is comprised of the Chief Operating Officers as well as the "Industry", Insurance, Compliance, safety and internal audit, Legal and Human Resources and Occupational Health and Safety

departments. Responsibility for preparing Committee meetings lies with the HR Department, Occupational Health and Safety and Fire and Emerging Industrial Risks. HR and Occupational Health and Safety and Emerging Industrial Risks performance indicators connected with the "Zero accident" objective are presented;

- (iv) in 2023, the Cybersecurity/Digital Committee replaced the Cyber Committee, which had been set up in 2021. It is tasked with ramping up the sharing of information on cybersecurity and digital issues. It makes it possible: i) to raise awareness across all departments regarding these issues via presentations on major projects as they progress; ii) to assess the Group's maturity in terms of cybersecurity, and; iii) analyze incidents arising during the period. These actions are monitored through a series of indicators.

Viewing CSR as a unifying cross-company project, Vicat Group has created an international community of CSR representatives to coordinate and contribute to its sustainability approach.

1. VICAT GROUP'S CONTRIBUTIONS TO SUSTAINABILITY ISSUES

1.1. Climate and reducing the carbon footprint of operations

1.1.1. Vicat Group vision

Concrete is an irreplaceable construction product and remains the only material in terms of quantity and quality that can sustainably meet infrastructure and housing needs for a global population estimated to rise from 8 billion inhabitants at present to more than 10 billion by 2050.

Against this background, Vicat Group is developing and marketing products and solutions that meet local climate change adaptation needs alongside adapting its own production facilities.

The carbon footprint of Vicat Group's products and services can be reduced via the technological and financial options that are available depending on the country and that include:

- energy optimization;
- stopping the use of primary fossil fuels;
- reducing the proportion of clinker, the main active ingredient in cement concentrating the CO₂ content in the cement;
- use of CO₂ capture for the so-called process CO₂ or "hard-to-abate" CO₂ portion;
- the development of a solution to minimize concrete usage through 3D concrete printing thanks to its Lythosys offering; and
- the preservation of resources thanks to the circular economy.

All these actions mean that Vicat Group is continually reinventing the cement formulae of the future.

At present, Vicat Group operates in countries with differing maturity in terms of climate change regulations. In Europe (France, Italy, Switzerland) and in California in the United States, Vicat Group is preparing for a reduction in CO₂ emission allowances, without any assurance that it will be able to pass this on in its sale prices. In other regions (in Alabama in the United States, in Brazil, in Africa, Asia and the Mediterranean region), regulations are still unfolding. In the belief that regulations will converge, Vicat Group is keeping up with the pace of regulatory change to roll-out and market its low-carbon products and services.

That is why Europe is currently the Group's lab in terms of applied innovation and research and the industrialization of solutions designed in response to climate change.

In light of these climate risks, Vicat Group has put in place a climate plan designed to work towards carbon neutrality across its value chain. These objectives reflect those set by the European Union.

In 2023, Vicat Group continued its ambitious plan to reduce CO₂ emissions using existing means to achieve the target of 497 kg net CO₂ per metric ton of cement equivalent by 2030.

Furthermore, the Group sets itself Scopes 1 and 2 reduction targets associated with the production and purchase of electricity. To track its carbon footprint as closely as possible, the Group began calculating Scope 3 CO₂ emissions.

2030 decarbonization objectives across Scopes 1 and 2

Scope 1 objectives

To reduce its process and thermal emissions to 497kg **net CO₂**⁽¹⁾ per metric ton of cement equivalent at Group level

To reduce its process and thermal emissions to 430kg **net CO₂** per metric ton of cement equivalent for the Europe region

Scope 2 objectives

Reduce its electricity emissions by 40% compared with 2020, including:

- Half by favoring the use of renewable electricity offerings from operators (Scope 2);
- and the other half by building renewable electricity production facilities (Scope 1).

(1) Definitions:

Net CO₂: direct emissions including the physicochemical transformation of raw materials at high temperatures and the use of extracted fossil fuels, excluding all alternative fuels.

Cement equivalent (eq.) emissions: direct emissions, gross or net, divided by clinker production and multiplied by the percentage of clinker in the cement.

Gross CO₂: direct emissions including the physicochemical transformation of raw materials at high temperatures and the use of extracted fossil fuels, as well as the fossil component of alternative fuels, excluding the biogenic component of alternative fuels.

1.1.2. A climate plan that is working towards carbon neutrality across its value chain



Vicat Group's climate plan is the result of an analysis of the climate risks and guides it towards its goal of working towards carbon neutrality

across its value chain by 2050. It formalizes the Group's commitment to meet the challenge of climate change. The commitment to reduce CO₂ emissions has also been publicly reaffirmed through the signing of the French Business Climate Pledge (2017), through the ecological transition contracts signed on behalf of the French cement plants at Montalieu, Xeuilley and Peille, and through the submission of its carbon reporting to CDP's climate change questionnaire for the third year running for which the Group reinforced its A- rating despite the more stringent rating methodology.

Every country has its roadmap for the decarbonization of its operations that is aligned with the "climate plan". The Climate Action Oversight Department, within the Climate Strategy Department, works closely with all Country Managers to ensure the plan is properly implemented and to track actual performance.

This plan calls for mature technologies but also technologies that still require pilots or demonstrators before moving on to industrialization. This allows Vicat Group to put in place mitigation measures in response to physical risks, to upgrade its production facilities, particularly the cement operations, and to guide its market positioning and product innovations.

Vicat Group's CO₂ impact stems primarily from its cement production business. CO₂ emissions account for over 99% of the Group's total greenhouse gas emissions. Other gas emissions (methane, nitrous oxide, fluorinated gases etc.) are marginal.

CO₂ emissions in cement manufacturing come from a number of sources and in particular:

Direct emissions – Scope 1:

- burning fossil fuels for clinker production (high thermal energy kiln temperatures needed to fire the raw materials). This "fixed sources of combustion" item represents approximately 40% of Scope 1 emissions;

- the decarbonation of raw materials, especially limestone, during firing. This "non-energy processes" item represents approximately 60% of Scope 1 emissions;
- emissions from on-site self-produced electricity;
- emissions from transport by Vicat Group's fleet.

Indirect emissions related to energy – Scope 2:

- emissions from electricity purchased from the grid.

Other indirect emissions – Scope 3:

Four categories in Scope 3 of the fifteen in the GHG Protocol are material for the Cement business, namely:

- upstream energy emissions, mostly supply of fuels (extraction and transport);
- the carbon footprint of purchased raw materials, products and services;
- emissions from the upstream transport of goods; and
- emissions from downstream product transport (when done by third-party carriers).

The proportion of these emissions is highly variable depending on the source of the input materials and destination markets. Vicat Group primarily favors purchased materials with the lowest carbon footprint relative to the service provided, local supply chains and well as nearby markets in the same territories as the factories.

The Climate Plan focuses on the following key areas: 1) improvement in the thermal and electrical energy efficiency of operations, 2) production of renewable and low emissions energy, 3) decarbonization of mobility, 4) substitution of primary fossil fuels, 5) reduction in the clinker content in cement, 6) capture, storage or utilization of CO₂ (CCUS). The areas⁽¹⁾ are presented by increasing order of complexity, the easiest being energy optimization and the most complex being Carbon Capture Usage and Storage (CCUS).

Strategic investments connected with the reduction of the Group's carbon footprint amounted to approximately €40 million in 2023.

(1) The order in which they are presented in this chapter has been changed as a result.

2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE

Vicat Group's contributions to sustainability issues

This budget of approximately €40 million does not include the share of strategic growth investments on kiln 2 at Ragland (USA) and kiln 6 at Rufisque (Senegal), which have a significant impact on the Group's climate performance. In fact, these strategic growth investments will help to significantly increase the use of alternative fuels, reduce the clinker rate and improve the energy efficiency of these industrial facilities and thereby help secure the overall decarbonization objectives.

The Group remains committed to its 2030 decarbonization roadmap and its "climate" investment objective of €800 million over 10 years. The "climate" strategic investments in 2023 and 2024 should thus be under the annual average over 10 years as a result of the scale of the strategic growth investments over this period, with significant catch-up over the 2026-2030 period.

1.1.2.1. Improving thermal and electrical energy efficiency

Thermal energy (Cement business)

Maintaining an efficient heat balance of cement kilns is a key indicator for the Group in its ongoing efforts to reduce its CO₂ emissions. Vicat Group thus continues to invest in the best available

technologies, with the commissioning in 2024 of a new kiln in Rufisque (Senegal) following on from the Ragland kiln (Alabama, USA) in 2022. Thanks to these facilities, the Group is able to increase the substitution rate while limiting the impact on the heat balance. Vicat Group has very modern plants, with 91% of its installed capacity consisting of dry-process precalciner kilns.

Electricity

Vicat Group's electricity consumption is concentrated in its cement operations for grinding upstream and downstream of the process in particular but also for crushing, sifting, mixing, conveyor transport, ventilation and drying. All new projects are studied through the prism of energy sobriety, the use of renewable energies and reducing the carbon footprint.

Vicat Group's commitment to the energy transition is also reflected in the application of an energy management system that is both rigorous and compliant with the ISO 50001 standard introduced at these cement plants: Grave-de-Peille, Montalieu-Vercieu, Xeuilley and Créchy in France and Bastas and Konya in Turkey.

Track record on electricity consumption by business

Change in electricity consumption by business

(GWh)	2023	2022	2021
Cement business	2,737	2,678	2,709
Aggregates business	79	81	79
Concrete business	29	30	31
Other Products & Services	38	38	47
TOTAL	2,883	2,826	2,866

Process electrification as well as the use of gas treatment and CO₂ capture technologies, not to mention on-site hydrogen production and the production of synthetic molecules will, over the coming years, increase the use of electricity per metric ton of cement produced.

Track record on specific electricity consumption by business

Change in specific electricity consumption by business

	2023	2022	2021
Cement business (kWh/t)	100	101	99
Aggregates business (kWh/t)	3.4	3.5	3.3
Concrete business (kWh/m ³)	3.2	3.3	3.2

1.1.2.2. Production of renewable and low-emissions energies

Wherever possible, Vicat Group encourages the transition towards renewable energies. In 2022, it set itself a target of reducing its emissions from electricity consumption by 40% by 2030 as compared with 2020, by favoring renewable energy or low-carbon electricity sources, alongside significantly increasing plans for self-production facilities. This new electricity target, combined with the Scope 1 target, will enable Vicat Group to more closely monitor its decarbonization performance.

Apart from buying low-carbon electricity (nuclear or hydro origins), Vicat Group meets its needs by self-producing a share of its electricity. Thanks to its land reserves, Vicat Group operates its own solar plants near to its industrial sites. This is the case in India, with those of Barathi Polymer (installed capacity of 1 MWp), Kadapa (10 MWp)

and Kalburgi (8.5 MWp) being added to Rufisque's in Senegal (6.9 MWp).

In Switzerland, the Vicat Group accounts for hydraulic generated renewable electricity production through the plant operated by subsidiary Vigier and those operated by Hydroelectra SA, for which it consolidates 50% of production.

In India, Vicat Group fitted two of its plants with systems to recover residual heat that wasn't used in the cement manufacturing process ("Waste Heat Recovery System"). These systems make it possible to produce self-consumed electricity or supply an industrial or urban heat network. Similar equipment went operational in 2023 at the Bastas cement plant in Turkey.

In France, the Group operates a biomass-fired boiler and hydroelectric turbines for Papeteries de Vizille.

Consumption of renewable electricity (excluding grid electricity mix)⁽¹⁾

Change in the renewable energy electricity mix (Group scope)

	2023	2022	2021
Total electricity consumption (in GWh)	2,883	2,826	2,866
o/w renewable electricity (%)	8.8%	8.5%	8.0%
- of which electricity that is certified from renewable sources (%)	38.7%	41.2%	40.0%
- of which self-produced renewable electricity (%)	61.3%	58.8%	60.0%
- of which solar (%)	25.6%	26.9%	27.3%
- of which hydraulic (%)	2.7%	2.2%	2.7%
- of which waste heat recovery (%)	71.7%	70.8%	69.9%

(1) These figures do not include the benefits of the electricity mix in some countries in which Vicat Group operates, which partly consists of non-carbon energy sources without having to buy guarantees of origin.

The increase in the proportion of electricity from renewable sources is mainly due to the commissioning of the waste heat recovery unit at the Bastas cement plant, which will be fully operational in 2024.

1.1.2.3. Substituting fossil fuels

Vicat Group has been committed for a number of years to a strategy of significantly reducing its fossil fuel usage.

A clear roadmap has been drawn up for the switch from fossil fuels to alternative fuels. Fossil fuels mean "primary fossil fuels" that are directly extracted from the ground and haven't been recycled. Alternative fuels mean energy waste that needs to be treated, for example waste from biomass, solid recovered fuel (SRF), tires, waste oils, solvents or other liquids stemming from industrial waste.

The Group's main actions are: (i) the development of voluntary sourcing of waste available in the countries in which it operates, primarily via its dedicated subsidiaries namely CIRCULère and ALTèreNative (whose plant will be commissioned in 2024) in France, ALTOLA in Switzerland and ÇOZUM in Turkey, (ii) the incorporation of its production facilities into circular economy loops in response to the needs of countries to find an outlet for their waste, (iii) the adaptation of its production facilities to use alternative fuels, (iv) the signing of partnerships with other players to undertake upstream preparation of the waste flowing into its processes.

For 2030, Vicat Group's goal is to completely eliminate the use of fossil fuels from its cement manufacturing process in Europe and achieve a rate of 50% alternative fuels across the Group's scope, up from 40% previously.

Track record on the use of alternative fuels (Cement business)

Change in the rate of alternative fuels (Cement business)

(%)	2023	2022	2021
Use of alternative fuels (Group)	32.0%	28.1%	26.2%
Use of alternative fuels (Europe)	72.7%	66.0%	62.9%

In 2023, the proportion of alternative fuels increased by close to 4 points compared with 2022. This significant increase, for the third year running, is helping further the Group's goal of reducing fossil fuel usage.

These efforts made it possible to prevent the use of the equivalent of around one million metric tons of coal. Already in 2022, the consumption of the equivalent of 860 thousand metric tons of coal had been avoided. While reducing its emissions, the Group also helps reduce the amount of natural resources used, the proportion of waste of countries put into landfills, create jobs, create value and improve the trade balance of countries.

1.1.2.4. Reduction of clinker content in cement

The carbon footprint of cement is highly correlated with its clinker content, the active ingredient in cement, which is produced by the high-temperature firing of limestone and clay. Clinker content in cement is thus a key factor in reducing specific CO₂ emissions. By revising its target, in 2022, to reduce the clinker content in its cement to 69% in 2030 from 75% previously, Vicat Group is demonstrating its desire to contribute to raising the existing barriers, in some countries, to the consumption of low-clinker products; this situation potentially arising from market rigidity, a lack of price support or restrictive standards that require high clinker content in cement.

To reduce the carbon footprint of its materials with an equivalent performance level and in line with changes to standards in each country, Vicat Group is developing low clinker content products such as:

- low-limestone cement;
- cement based on natural Pozzolans, with CO₂ content of 490 kg CO₂ equivalent per metric ton of cement compared with 765 kg CO₂ equivalent per metric ton for a CEM I 42.5 R cement (France average). It is marketed in France, Italy and Turkey;
- cement based on artificial Pozzolans (heat activated clays) marketed in Brazil since 2009. In France, the Argilor project that is scheduled to be commissioned in 2024 will enable the Xeuilley cement plant to reduce its emissions by 16% thanks to the LC3 (Limestone Calcinated Clay Cement) technology;
- "Carat" cement, a new cement manufactured at the Montalieu-Vercieu cement plant in France, which has a mix of clinker and a bio-sourced material and has a carbon footprint equivalent to net negative emissions of (15) kg CO₂ equivalent per metric ton;
- cement based on blast kiln slag and fly ash the sustainability of which, as a low-carbon solution, depends on the carbon content allocated to the slag and the ash and on their availability, in light of the fact that the production of these products is falling in some regions of the world as a result of the decarbonization of the steel industry (for the slag) and the electricity production industry (for the fly ash).

As in 2021 and 2022, the clinker rate continued to fall in 2023 to 76.8%. This positive change is the result of the Group's efforts over the past number of years.

Change in clinker content rate of cement eq. (Cement business)

(%)	2023	2022	2021
Clinker content rate in cement equivalent (%) (Group)	76.8%	77.5%	78.9%
Clinker content rate in cement equivalent (%) (Europe)	79.5%	80.2%	80.2%

1.1.2.5. CO₂ capture, storage and utilization

Vicat Group is considering two large-scale Capture and permanent Storage projects involving around 1 million tons of CO₂ per annum (CCS), one at the Montalieu-Vercieu facility (38) in France and the other at the Lebec facility in the United States (in California). The cost optimization of CO₂ capture is key to the greenlighting of these projects.

Moreover, Vicat Group continues to work on assessing projects to utilize CO₂ (CCU) as part of the following projects:

- The “Catch4Climate” project brings together Vicat and three other European cement manufacturers (Buzzi, HeidelbergCement and Schwenk) to build and test a pre-industrial scale demonstrator for the Oxyfuel technology on the site of the Schwenk cement plant in Mergelstetten in Germany. The construction work began in 2022. The aim is to develop a breakthrough innovation to profitably eliminate CO₂ emissions caused by cement production. This technology is based on feeding oxygen into the cement kiln rather than ambient air to obtain the high temperature necessary for clinker manufacture. In this way, the gases produced by the combustion have a high concentration of CO₂, considerably facilitating its capture and thereby reducing the cost.
- The FastCarb Project, which is designed to store CO₂ through the carbonation of recycled concrete, is a French project launched in 2017, validated in 2021 with the results being presented in 2022. Vicat Group is involved in it, with a pilot named “CarbReCoGBR” installed at the Créchy plant. This pilot works by accelerating the natural carbonation of concrete by mixing, through rotation, concrete aggregates from demolition with the gases produced when manufacturing clinker that have a high level of CO₂. This process may thus make it possible to permanently store up to 10% of the CO₂ emitted annually by the cement manufacturing business.
- The “CarbRecoCl” project is designed to produce light aggregates from chlorinated dust, generated in larger quantities as a result of the increased use of alternative fuels, that also contain some of the CO₂ emitted by the cement manufacturing process. The solution is developed by the UK company Carbon8. Vicat installed a CO₂ntainer demonstrator at the Montalieu-Vercieu plant in France.
- The “Ciment Algue” project aims to recover CO₂ and residual heat from cement manufacturing to produce microalgae. The demonstrator was commissioned in 2022 at the Montalieu-Vercieu cement plant in France. This project, which brings together Vicat, AlgoSource technologie, Total Énergies and the University of Nantes, obtained financial support from ADEME (the French agency responsible for the ecological transition) as part of the BIP2014 call for projects.
- The Biberist project has a new recycled aggregates recarbonation facility run by VACarbo, a subsidiary established in 2023 and 50% owned by Vigier in Switzerland. This facility makes possible the capture of 1 000 metric tons of CO₂ per annum.

Some CCU projects focus more specifically on the production of low-carbon synthetic e-fuels like e-methanol or e-kerosene. In fact, the production of hydrogen in a cement plant by electrolysis of water has many advantages. Hydrogen makes it possible on the one hand to recover emitted CO₂ by converting it into a usable molecule in the energy or chemical fields (methane, methanol, etc.) and, on the other hand, to supply a fleet of trucks. The oxygen, a byproduct of water electrolysis, injected into the clinker manufacturing process makes it possible to increase the CO₂ concentration in the smoke, thereby making it easier to capture. The use of high-temperature electrolysis technology would make it possible to recover the final fraction of the residual energy of the cement kiln.

Vicat Group has several ongoing projects in this field in France:

- Investment by Vicat Group in Genvia, which brings together other shareholders like the CEA (The French atomic energy and alternative energies commission), Schlumberger, Vinci Construction and the Occitanie regions and which aims to build a megafactory for the production of “high temperature” electrolyzers. A first demonstrator should be up and running in 2024.
- Investment in Haffner for the development of a green hydrogen production solution using biomass waste thanks to the Hynoca technology (copyright).
- The Hynovi Project, jointly established by Vicat Group and Hynamics, a subsidiary of the EDF Group specialized in hydrogen production, to develop an integrated solution to capture CO₂ emissions and produce decarbonized methane. This project fits with the French government’s targets in terms of industrial decarbonization and energy independence, for which synthetic fuels are one of the main levers. Under the framework of the call for “Important Projects of Common European Interest (IPCEI)”, Hynovi was pre-notified by the French state and is still being considered by the European Commission.

1.1.2.6. Low-carbon mobility

Vicat Group implemented actions to develop sustainable mobility on the back in particular of certain regulations in Europe and the expectations of its stakeholders. These actions are primarily focused on reducing fuel consumption, replacing fossil fuels with non-fossil fuels and developing hydrogen. These three priorities mean that Vicat Group is upgrading its fleets (heavy and light). In 2023, 87 quarry vehicles and 240 trucks belonging to the Group already used either 100% biogas, 100% biodiesel, electricity or hydrogen.

The use of “Oléo 100”, a fuel 100% made from rapeseed grown and processed in France (without competing with food production) to replace off-road diesel in construction vehicles allowed 15 French sites to reduce their greenhouse gas emissions. The truck fleet of the French subsidiary SATM was upgraded in 2018 to be able to use this fuel.

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The development with Jacky Perrenot of a ready-mix truck, called Oxygen, which runs on biomethane natural gas, allowing for 96% lower CO₂ emissions as compared with a traditional vehicle thanks to a lithium battery powered electric engine developed by Iveco and a drum developed by Cifa Energya.

The use in particular of 2nd generation biodiesel for its truck fleet enabled its Swiss subsidiary Vigier to achieve a substitution rate of 33% in 2022. Since 2022, this subsidiary can offer very low carbon transport throughout the value chain – from quarry to delivery of concrete onsite. The acquisition in early 2023 of a fully electric mixer truck allows it to offer its customers 100% electric alternative logistics.

The whole truck fleet at the Vernon concrete batching plant in California in the United States runs on compressed biogas stemming from methanization of slag. Plans are in place to repeat this investment for the truck fleet at the Irwindale plant.

The replacement of part of its fleet with 10 pre-ordered 44 metric ton hydrogen trucks, represents a further step by the French subsidiary SATM towards the greening of Vicat Group's fleet as does the installation of hydrogen stations, the first in Chambéry in partnership with HYMPULSION and the second shortly on the site

of the Saint-Égrève plant as part of the Zero Emissions Valley project supported by the Auvergne Rhône-Alpes region in France.

The implementation of its mobility plan, in line with or more demanding in certain respects than French regulations, allows it to act in a number of ways:

- The installation of electric car charging stations on Vicat's sites as part of a multi-annual plan that is partly funded by the company.
- The annual replacement of vehicles in its fleet that emit less than 60 grams of CO₂ with a target achieved that goes beyond the targets in the mobility framework act.
- The roll-out of an effective electric car-sharing scheme for the head office teams, which is ongoing.
- The "eco-driving" training, which is part of the training plan for every employee in France and that is being rolled out in the foreign subsidiaries.
- The Group's Travel policy, which systematically favors the train and best practice for responsible trips, in particular replacing certain trips with video-conferencing.

1.1.3. Track record on reducing the carbon footprint of operations

1.1.3.1. Vicat Group CO₂ emissions in 2023

All the policies and actions implemented in 2023 will allow Vicat Group to continue reducing its CO₂ emissions, following on from already significant progress in 2022.

The table below shows the breakdown of the projects by country.

France & Europe	30
Americas	4
Mediterranean	13
Africa	2
Asia	12
NUMBER OF PROJECTS	61
INVESTMENTS⁽¹⁾ (in millions of euros)	39.8

(1) The investments shown in the table above are published by the Group each year under the heading "Materiality" in the section on the Statement of Extra-Financial Performance comprising figures. They represent environmental investments. They cover all steps taken by the Vicat Group to reduce the CO₂ footprint of its activities and products, whether or not they meet the Green Taxonomy alignment criteria, which are very strict and ambitious. They do not, however, include the growth investments made by Ragland (United States) and Rufisque (Senegal) which, through using the best technologies, also serve to significantly reduce the specific emissions from the cement manufactured by these new production units. See Chapter 6 of the URD.

The data presented below shows the ongoing reduction in specific CO₂ emissions. 2023 was an important year for Vicat Group, representing a significant reduction for the second straight year in its specific CO₂ emissions, dropping under 600 to 588 kg net CO₂ per metric ton of cement equivalent.

The Group's total Scope 1 and 2 emissions totaled 18.8 million metric tons of CO₂ in 2023 compared with 18.1 million metric tons in 2022, plus one million metric tons of CO₂ from the use of biomass alternative fuels. This change was mainly due to the higher volume of cement manufactured.

Gross Scope 2 and Scope 1 CO₂ emissions in 2023 (Group scope)

<i>(in millions of metric tons)</i>	2023	2022	2021
Cement business	18.6	18.0	18.5
Concrete & Aggregates business	0.1	0.1	0.2
Other Products & Services	0.02	0.01	0.02
TOTAL	18.8	18.1	18.7
<i>o/w total Group Scope 1 emissions</i>	17.8	17.3	18.0
<i>o/w total Group Scope 2 emissions</i>	0.9	0.8	0.7

Scope 1 CO₂ specific emissions (Cement business) excluding on-site electricity production and transport of the finished product

	2023	2022	2021	2030 target
CO ₂ emissions <i>(in kg net CO₂ per metric ton of cement equivalent)</i>	588	608	624	497
CO ₂ emissions <i>(in kg net CO₂ per metric ton of cementitious)</i>	589	606	619	

The 20 kg net CO₂ per metric ton of cement equivalent improvement between 2022 and 2023 is in line with the expected improvement for the year towards the target of 497 kg CO₂ per metric ton of cement equivalent in 2030.

Scope 1 CO₂ specific emissions (Cement business in Europe - France, Switzerland, Italy)

	2023	2022	2021	2030 target
CO ₂ emissions <i>(in kg net CO₂ per metric ton of cement equivalent)</i>	501	530	544	430
CO ₂ emissions <i>(in kg net CO₂ per metric ton of cementitious)</i>	498	527	538	

With a 29 kg net CO₂ per metric ton of cement equivalent reduction, Europe made a bigger contribution to reducing its specific emissions than the Group's other regions.

Estimated Scope 3 CO₂ emissions by category in 2023 (Group scope)

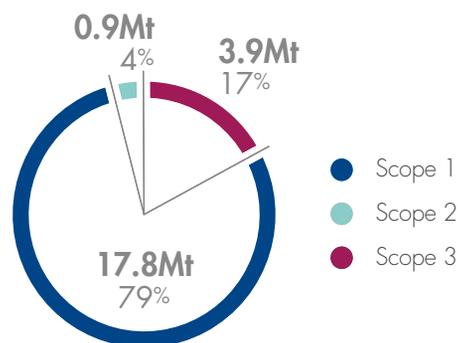
<i>(in millions of metric tons)</i>	2023	2022	2021
Purchases of materials and services	1.5	1.7	1.8
Fuel and energy (excluding Scope 1 and 2)	1.0	1.0	1.0
Upstream transport and distribution	0.4	0.4	0.5
Downstream transport and distribution	0.9	1.0	1.0
TOTAL	3.9	4.1	4.2

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In 2023, Scope 3 emissions fell 200,000 metric tons of CO₂ eq., primarily as a result of the lower volumes of clinker and cement purchased in the Group's regions outside Europe. This reduction can nevertheless be linked in part to the increase in Scope 1 emissions, as certain Group units responded to the lack of capacity of other Group sites. Vicat Group is looking to reduce the proportion of Scope 3 emissions in tandem with its upstream and downstream value chain stakeholders. The breakdown of Vicat Group's CO₂ emissions in 2023 is set out in the chart opposite.

Vicat Group's CO₂ eq. emissions in 2023



1.2. Efficient resource management and management of environmental impact of operations

1.2.1. Vicat Group vision

In parallel with the decarbonization of its operations, Vicat Group is looking to reduce its other environmental impacts. Vicat Group's operational policy combines industrial performance with environmental performance by carefully managing the resources used as inputs in its processes and products, by controlling the impact of its operations on the physical environment and by developing circular economy loops. Access to water is a global challenge for populations in terms of healthcare, food and combatting inequality. Preserving water resources is also one of the 17 priority SDGs (Sustainable Development Goals). Currently, around 20% of global water withdrawn is by industry. In this context, Vicat Group needs to reduce its water consumption, an essential resource for its operations and also unevenly distributed around the globe, and ensure it manages its water discharging to help safeguard water quality. Vicat Group has regard to local factors and regions exposed to water stress like in India, Senegal, Egypt, Turkey and California in the United States.

Mineral raw materials are also a major resource for the long-term survival of Vicat Group's businesses. The receipt of the necessary permits for their extraction is the result of ongoing dialogue with its stakeholders. Therefore, to satisfy the growing needs of its customers, Vicat Group is promoting the utilization of secondary raw materials available in the countries in which it operates and the roll-out of a circular economy approach wherever possible by reusing not only its waste but that of others.

The challenges around indoor and outdoor air pollution involves health, the environment and economics. There are a whole series of immediate and long-term effects of atmospheric pollutants with vulnerable groups the first to be affected. Large metropolitan areas

are increasingly exposed to pollution spikes. Vicat Group is aware of the need to continue its efforts to help safeguard the environment and the health of those residing around its production sites.

1.2.2. An operating policy that combines both industrial and environmental performance

Vicat Group's industrial policy complies with the environmental regulations in the countries in which it operates. By incorporating an ongoing improvement program into its manufacturing methods, Vicat Group ensures it sustainably manages all resources and all waste, effluent and emissions.

Its operational structures clearly reflect the direction taken by the Group to support this policy. The "environmental officers" in each business line (Cement/Concrete & Aggregates/Other Products & Services) check that facilities comply with the environmental regulations. These officers actively participate on working groups dedicated to monitoring regulatory developments within industry bodies and/or specialist associations (whether national bodies like SFIC, UNPG or SNBPE; European organizations like CEMBUREAU or international bodies). In addition, they track and ensure the achievement of the expected environmental performance, monitoring the proper functioning of the internal self-assessment systems, supporting the teams with voluntary certification processes of their management systems. 112 sites are ISO 9001 certified for quality management and 70 sites are ISO 14001 certified for their environmental management. Lastly, the environmental officers assess the risks posed by the activities to the Group's values and operating strategy. Targeted training is also provided to operators.

Environmental data is available at all times within each production unit and is embedded as a facility management and production parameter. It allows operating staff to take any necessary corrective actions under the ongoing improvement programs.

Vicat Group employees are made aware of all environmental issues and of the importance of protecting biodiversity and ecosystems. The human resources and equipment dedicated to preventing environmental risks and pollution mean it is possible to control emissions beyond the limits required by law. The amount of environmental provisions funded is presented in the Group's consolidated financial statements. At December 31, 2023, they totaled €68.6 million.

1.2.2.1. Sound efficient management of water resources and management of wastewater

As a responsible industrial operator, Vicat Group tailors the amount withdrawal to its needs, the state of local resources (with special care taken in water stress areas) and environmental conditions. The Group keeps a record of all withdrawals and discharges, which helps facilitate the work of the oversight authorities. Moreover, it has the necessary permits for the withdrawal facilities it operates. Lastly, the Group aims to avoid any use conflict and buys as little water as possible from water suppliers, network operators. In parallel with its climate plan, Vicat Group has started thinking about a water management plan.

Various steps were taken in this respect in 2023:

- the monitoring of the "water" indicators updated in 2022 in line with the "GCCA Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing" dating from November 2018;

- the assessment of cement plant water management practices and the utilization of water fed into its processes. Water utilization varies across activities. In the cement manufacturing business, the withdrawn water is primarily used to cool certain equipment. In the concrete business, the extracted water is used as an ingredient in the manufactured concrete. In the Aggregates business, the withdrawn water is primarily used to rinse aggregates. Vicat Group favors recycling systems to meet its operating needs;
- the identification of cement plants located in regions exposed to water stress on a map done using the *Aqueduct Water Risk Atlas*. According to this data, six of the Group's sixteen cement plants are in high water stress or critical water stress areas. Furthermore, an internal study made it possible to better assess the vulnerability of the sites identified as being exposed to this risk. Steps have already been taken to mitigate their exposure to water stress risk;
- the implementation of water minimization plans as required under French regulations influenced thinking within the Group as regards the development of the water management plan, the making of recommendations and the setting of reduction targets for the most exposed sites as well as for those subject to a drought decree;
- encouraging the use of water used to rinse materials, recycled as an ingredient of concrete where so permitted by law. Discharged water likely to be released is subject to specific monitoring both in terms of quality and quantity and communicated to the oversight authorities. Where necessary, Vicat Group has installed treatment systems either to comply with regulatory emissions limits or to prevent damage to the host environment.

Track record on water management

Water management by business activity

	Cement	Aggregates and concrete	OPS
Total water withdrawal (in millions m ³)	10.3	7.0	0.8
Total water discharge (in millions of m ³)	5.9	2.3	0.7
Total water consumption (in millions of m ³)	4.4	4.7	0.1

Specific water consumption by business

	2023	2022	2021
Cement business (l/metric ton)	160	163	166
Aggregates business (l/metric ton)	117	129	115
Concrete business (l/m ³)	225	207	181

The change in the specific consumption in the aggregates and concrete businesses primarily reflects methodological improvements in their water usage calculations.

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1.2.2.2. Sound management of raw materials and circular economy

Vicat Group's land policy looks to anticipate and plan for its long-term needs. The extraction of natural raw materials is then defined by an operating phase optimized to conserve them. Raw materials procurement is managed with the same precision by the Energy and Raw Materials Department.

Vicat Group is looking to encourage innovative resource management in the countries in which it operates through efforts to conserve resources as well as recycling and substitution. These actions are also the purpose of several Group subsidiaries that enhance regional synergies and promote industrial and regional ecology,

Track record on resource management

Materials substitution in clinker, cement and aggregates manufacturing

	2023	2022	2021
CLINKER			
Consumption of raw materials for clinker production (millions of metric tons)	36.5	33.6	34.1
o/w share of consumed materials stemming from substitution materials (%)	5.5%	4.8%	4.2%
CEMENT			
Consumption of raw materials for cement production (millions of metric tons)	6.2	5.9	5.8
o/w share of consumed materials stemming from substitution materials (%)	27.6%	26.8%	23.8%
AGGREGATES			
Consumption of raw materials for aggregates production (millions of metric tons)	25.2	25.2	25.5
o/w share of consumed materials stemming from substitution materials (%)	3.2%	2.7%	3.2%
TOTAL			
Consumption of raw materials for production (millions of metric tons)	68.0	64.6	65.4
o/w share of consumed materials stemming from substitution materials (%)	6.6%	6.0%	5.5%

In 2023, extractions reflected the volume of each Group business, combined with an improvement in materials substitution.

1.2.2.3. Responsible management of its waste

The Group's production process generates very little waste. In most cases, it is recycled internally in the process of manufacturing its products. Nevertheless, the Group plans to reduce the amount of waste it generates through prevention, reduction, recycling and reutilization. The low amount of hazardous waste generated by most Vicat Group businesses primarily consists of chemical additives, waste oils and associated packaging waste, which are treated in dedicated streams.

With respect to the development of the circular economy, Vicat Group pays close attention to the end-of-life of its construction

like Terenvie (in France) and VITO Recycling (in Switzerland). In line with applicable regulations, the materials substituting locally sourced natural raw materials differ depending on the type of products manufactured by the Group. To manufacture clinker, Vicat Group uses ash from fuels, iron, aluminum or calcium oxide, silica inputs and also contaminated soil. To manufacture its cements, it can use sulphogypsum or phosphogypsum, waste minerals from quarries, ash, slag, dust from kilns or by-pass. To manufacture recycled aggregates and cement, returned fresh concrete or demolished concrete can be used. These substitution materials meet strict specifications based on physicochemical characteristics. To this end, the materials fed into its manufacturing methods (consumed) are carefully recorded.

materials. That is why Vicat is a shareholder in ECOMINERO, an environmental body accredited as part of the extended responsibility of the manufacturers of construction products and materials branch of the construction industry as required under French regulations.

The Group aims to increase the share of regional waste that is recovered in its production units. By using fossil fuels, Vicat Group avoided the incineration and/or landfill of 1.6 million metric tons of waste in the countries in 2023, namely substantially more than Vicat Group generated itself (as against 1.3 million metric tons of waste reused in 2022).

Conversely, the overburden material from quarrying is not considered waste. In fact, this material is stored near where it is extracted and used for site backfilling or rehabilitation or for some other future purpose.

1.2.2.4. Protecting air quality

Vicat Group takes particular care to reduce its air emissions and ensures the strictest respect of emission limits prescribed in local regulations. In addition to CO₂ emissions, those likely to have a significant impact are those stemming from the cement production business. The main parameters monitored for the Cement business in the stacks are as follows:

- dust. Vicat Group has high-performance filtration systems that allow it to limit the release of such particles; airborne dust that can cause irritation and respiratory problems for sensitive individuals and dirty buildings and monuments;
- sulfur dioxide. The rocks quarried to manufacture cement also contain sulfurous limestone compounds that may, when fired, lead to the formation of this air pollutant. Vicat Group has fitted the Montalieu-Vercieu, Xeuilley and La Pérelle cement plants in France with absorbent systems in line with the recommendations of the EU Industrial Emissions Directive;
- nitrogen oxide. Such emissions lead to environmental acidification and eutrophication. The Montalieu-Vercieu, Peille, Saint-Égrève and

Créchy cement plants in France as well as the Reuchenette cement plant in Switzerland are fitted with special treatment systems;

- for the other parameters like mercury, heavy metals, dioxins, industrial sites are monitored on a case-by-case basis in line with local regulations.

100% of French cement plants are subject to environmental and health monitoring.

Particular care is paid to industrial sites included within zones, subject to specific public policies (low emissions zone or an atmospheric protection plan) or subject to local restrictions during pollution spikes.

The industrial performance policy deployed by the Group consists of encouraging:

- preventive and predictive operational maintenance to keep the industrial facilities in mint condition and with an optimized market rate;
- regular investments in the best techniques available in terms of filtration and treatment.

Track record on air emissions

Change in specific dust, SO₂ and NO_x emissions (Cement business)

<i>(gram per metric ton of clinker)</i>	2023	2022	2021
Dust	71	62	64
SO ₂	169	202	222
NO _x	940	1,156	1,240

The improvement is partly due to the greater stability of kiln operations, connected with the increased use of alternative fuels, use of which creates a reducing zone in the cement kilns that makes it possible to reduce a portion of the NO_x.

1.3. Preservation of biodiversity and ecosystems

1.3.1. Vicat Group vision

Vicat Group has been committed for many years to preserving species and ecosystems and maintaining ecosystem services. Biodiversity allows it to strengthen its ties with its local stakeholders (like LoParvi, LPO associations). It is a facilitator for regional integration, a factor for internal mobilization, an accelerator for innovation (biomimicry and coral reefs) and a significant lever in the ecological transition challenge.

Vicat Group's dependence and impact on biodiversity is an issue throughout the life cycle of the quarries it operates: the extraction of raw materials used to manufacture its products actually contributes to biodiversity loss.

In light of the sixth mass biodiversity extinction (see Report of Intergovernmental Science-Policy Platform on Biodiversity and Ecosystems Services), Vicat Group is strengthening its existing preservation efforts.

1.3.2. Actions to avoid, reduce and offset net biodiversity loss

1.3.2.1. Limited man-made influence and an ambitious rehabilitation policy

- On the basis of preliminary work by its internal design office, whose expertise is now broadly recognized, Vicat Group limits the stripped areas of permitted deposits to just those extractions that are necessary for its production of aggregates and cement rocks.
- During the operation phase, Vicat Group has long rolled out a set of best practices such as: restoring quarry faces to allow the nesting of cliff swallows, storing excavated soil to preserve its agronomic quality and to fight against invasive species, installing rafts on water surfaces, limiting light and noise pollution. Wherever it operates, it makes every effort to apply the most stringent protective measures.

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- Vicat Group works with local stakeholders (owner, neighbors, local environmental protection associations) to draw up rehabilitation plans for its quarries, which typically accompany the authorization request. It also promotes the fact that site rehabilitation can provide opportunities to create new diverse habitats for fauna and flora, ecological corridors or become a source of ecosystemic services (opening of new environments that tend to disappear in nature). Vicat Group supports voluntary projects contributing to the draft biodiversity management plan. Some sites that are more mature in terms of preserving biodiversity have established specific action plans to monitor biodiversity and begin to measure their level of dependency on ecosystemic services of biodiversity.
- In 2021, Vicat Group undertook a first evaluation of the biodiversity of its various quarries (aggregates and cement) with the aim of identifying the most relevant indicators and standardizing best practices developed by the Group's subsidiaries. Completed in 2022, the results of this evaluation enabled Vicat Group to develop a new technology for monitoring biodiversity and more refined indicators to measure its performance. This methodology draws on the recommendations of the Global Cement and Concrete Association (GCCA) in its "Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management" published in May 2020 and the guidelines found in frameworks such as that by the TNFD, the Taxonomy Regulation and the French 2030 Biodiversity Strategy.
- In the main countries concerned, Vicat Group has implemented an action plan to recover and maintain its forest land sustainably and in compliance with prevailing regulations. In this way, the Group contributes to maintaining and increasing this natural CO₂ storage capacity harbored in forests and their soils. Moreover, in France, Vicat Group has contracted simple management plans. The forest land concerned totaled slightly more than 1,200 hectares in 2023. This is a practical tool to better understand its forestland, define targets and facilitate choices and decisions to take in terms of management, scheduling felling programs and works to draw up a periodic review. These plans are approved by the regional center for forest ownership.

1.3.2.2. Encouraging voluntary actions and partnerships to promote biodiversity

Awareness-raising initiatives

Other sites are not lacking initiatives in favor of preserving biodiversity, by organizing open days, setting up partnerships with naturalist associations and taking part in inventory campaigns.

In 2023, 179 groups of visitors were able to explore biodiversity at the Group's sites.

Conservation initiatives

Vicat Group maintains partnerships with the local association Lo Parvi, which manages on its behalf the voluntary natural reserve of the Etangs de Mépieu quarry (France), spanning 160 hectares. In France, the Group supports two wild fauna protection centers, the "Tichodrome" at Vif and the "Tétras libre" at Montagnole, managed by associations in connection with France Nature Environnement (FNE), the French environmental and nature society, and Ligue de Protection des Oiseaux (LPO), the French bird protection society. In addition, the Louis Vicat Foundation has joined forces with the association Sylv'Acctes Environnement, whose purpose is to "build tomorrow's forests" by financing virtuous forest actions that have a systematically positive impact on the climate, biodiversity and landscapes. Located in Senegal, Mauritania and Mali, Vicat Group and its Sococim Foundation are supporting the Great Green Wall initiative launched by the African Union to prevent the desert from expanding, conserve water resources and contain temperature increases. The project, which brings together the heads of state of the 11 countries in question, covers an area of 11.7 million hectares on which trees and all types of vegetation are planted and protected.

This respect for biodiversity is also reflected in the responsible purchasing roadmap put in place by the Group, by favoring certified products stemming from production methods with lower social and environmental impacts. As such, the paper pulp bought by the Group for its paper making site in Vizille (in France) is FSC and PEFC certified.

Furthermore, the Group continued its tree planting policy by planting 28,400 trees (compared with 20,745 in 2022).

Research programs

The "Roselière" program. The Group takes part in the Roselière Program to monitor biodiversity based on standardized protocols, undertaken annually in the same way at a group of sites by all participants. It aims to monitor changes in species to provide a decision assistance tool for choosing and adapting practices in terms of management and organization of natural environments. The methodology was drawn up with the support of the French National Museum of Natural History (MNHN) to vet its scientific approach.

The "Odyssée" program. Launched in 2015, this program promotes a series of actions designed to protect pollinating insects and wild bees in rural and urban France. To encourage such species on its sites, Vicat Group participates in flower meadow planting and establishes conservatory orchards. These actions are also an opportunity for the Group to make its employees and the public aware of biodiversity preservation initiatives. Vicat Group was thus active around the theme of the City of the future and climate change at the most recent French civil engineering conference. In partnership with the INRAE (French national research institute for agriculture, food and nutrition and the environment) the nesting conditions and survival of wild bees are studied in Vicat modular concrete elements. This exciting research resulted this year in a paper being published in the October 2023 edition of the international scientific journal "Biodiversité et Conservation".

The "Bathyreef/Bathybot" project. Thanks to its expertise in 3D printing, the Group is actively involved in the improvement and exploration of marine biodiversity. As part of the Bathyreef/Bathybot project, Vicat, the Mediterranean Oceanographic Institute of Marseille, the Jacques Rougerie Foundation, IFREMER and Tangram

architects are exploring marine biodiversity in very deep environments (-2,400 meters). In 2022, eight reefs were printed by Lithosys for Seaboost and submerged by the latter off the town of Valras in France to mark a summer channel. In 2023, Vicat began a trial involving printed modules at the Underwater Museum of Marseille (France).

Vicat Group's track record on preserving biodiversity

	2023	2022	2021
Share of quarries with a rehabilitation plan (%)	73%	74%	81%
Share of quarries with a biodiversity management plan or taking positive steps to promote biodiversity (%)	61%	60%	
Surface area rehabilitated during the year (m ²)	673,573	468,668	575,233
No. of trees planted at the sites over the year (units)	28,400	20,745	25,920
No. of visitor groups welcomed at the sites over the year (units)	179	174	105

1.4. Sustainable product offering and Customer Relations

1.4.1. Vicat Group vision

Given the scale of demographical and climate issues, Vicat Group aims to design products suited to its markets, while reducing their environmental footprint. Since the Pont de Souillac was built 200 years ago and the invention of artificial cement by Louis Vicat in 1817, Vicat Group has put its expertise at the service of its customers: it offers a wide range of high quality products and services that are affordable, safe and scalable for sustainable construction.

1.4.2. A commercial policy that serves sustainable construction

1.4.2.1. Product quality that is recognized by its customers

Vicat Group develops, manufactures and markets cement, concrete, aggregates and insulation products for the construction industry, products for roads and public works, individual and collective housing and civil engineering.

Vicat Group supports its customers day-in day-out, offering them solutions designed by the Louis Vicat research center (Isle d'Abeau – France) and manufactured locally by one of the 360 Group sites worldwide. For each customer, the Group's teams work to ensure the availability of products and materials and to offer them related services as promptly as possible.

Vicat Group focuses especially on the quality of its products. The vast majority of the products it markets through its 29 brands comply with non-mandatory standards which define the quality levels to ensure the integrity and durability of works built with its products. In this respect, it submits its products to regular checks carried out in accordance with internal or external procedures by various bodies in order to certify product compliance with the relevant rules or standards.

All of the health and safety information required to use its products under optimal conditions (safety instructions, application advice, and recommendations regarding use) is set out on the packaging.

1.4.2.2. Environmentally friendly virtuous constructive solutions and products

Guided by the eco-design principle, Vicat Group promotes constructive systems and products that are energy-efficient and long-lasting to quantitatively and qualitatively reduce their environmental impact. This approach, which is ultimately preventive, allows the Group to design its products and materials differently without losing out on performance or attractiveness. In 2023, Vicat Group filed four patent applications.

In France, it analyzes the lifecycle of its products in order to quantify their impacts from cradle to grave. This multi-criteria approach is based on an inventory of the all materials and energy inflows and outflows at each stage of a product's lifecycle. The results of this analysis are included in the Environmental Product Declarations (EPDs) or the Environmental and Health Declaration Forms (EHDFs) for its products, which are made available to its customers.

Vicat Group is looking to improve the conditions of use and application of the products it manufactures, which meets the expectations of its customers who use them. Solutions may, for example, improve the energy efficiency of buildings, enable the ingress of runoff water with permeable concrete, refurbish built heritage with quick-setting cement, deliver projects in shorter timeframes, etc.

With a view to contributing to the identification of ways to achieve an ambitious energy and environmental transition that is fair and efficient for the towns and cities of the future and for their mobility, Vicat Group developed a new offering called DECA that notably satisfies French environmental regulations for new buildings (the "RE 2020"). The offering already incorporates various construction products and materials and constructive solutions that are standardized or have Technical Notices for the construction, public works, distribution and precast concrete sectors, like Biosys (bio-sourced concrete made from hemp fibers) or alternatively the DECA2 concretes made for example from cement like CEM IV Naturat. Over time it will incorporate the environmentally responsible transport offering for its customers. In line with its strategy to reduce its carbon footprint, France and Switzerland are at the cutting edge in terms of bringing low-carbon products to market.

More recently, with the construction and operation of a production and R&D unit at Chambéry (in France), Vicat Group committed to consolidating its expertise in making 3D-printed concrete pieces. This technique has the advantage of reducing the volume of concrete used by 50%, the carbon footprint by 30%, construction times as well as the arduous nature of the implementation. To this end, Vicat Group worked on formulating special concretes that facilitate architectural creativity and have already been used in the Viliaprint project managed by Plurial Novilia (subsidiary of Action Logement in France).

Vicat Group is committed to applied research in cooperation with other public and private research centers, universities and schools (CEA, Partnership with the Gustave Eiffel University, Écoles des Mines, Institut Jean Lamour in Nancy, Université Claude Bernard in Lyon, European Consortia). It is involved in various entities and platforms working to accelerate the spread of innovation in the construction sector and thereby meet the challenges of the energy, economic and social transition. For example, in France the Group is:

- a member of AXELERA's Chemistry and Environment Competitiveness Cluster;
- a shareholder of TRANSPOLIS;
- a member of TENERDIS (Energy Transition Competitiveness Cluster);
- shareholder and member of the Board of Directors of Genvia and collaborates with other partners like the CEA and Haffner Energy;

1.5. Human resources

1.5.1. Vicat Group vision

To support the ongoing commitment and responsiveness of the teams, and underpin the development of their business, Human Resources combines performance and inclusion. Steeped in history, Vicat Group tailors its human resources policy to meet the need of the ongoing transitions.

- partner to Carbon 8, not to mention as part of CI4C (JV created with German partners);
- member of the Management Committee of IdeasLaboratory;
- member of the Board of Directors of France Hydrogène, not to mention member of the National Hydrogen Council;
- founding member and member of the Board of Directors of IFPEB (Institute for the Energy Performance of Buildings).

1.4.2.3. Prescriptions tailored to each utilization in each country

As part of a responsible use approach, Vicat Group has always ensured that its products are properly used (quality and quantity). It advises prime contractors on the technical selection of products, which must be reasonable and must satisfy the previously identified local challenges.

Vicat Group has undertaken to support the economic players in the countries and help them improve their overall performance. Building on recognized product innovation and high value added services, the Group works in tandem with these local partners to reduce the carbon footprint of their constructions and help their daily operation.

On top of this technical expertise, Vicat Group has created a Digital Department responsible for facilitating interactions with its customers and streamlining customer follow-up to ensure their needs are satisfied as best possible. The *Customer Relationship Management* (CRM) system used by its main business activities in France and in other Group countries meets this goal.

In France, Vicat teamed up with Béton Direct to strengthen its regional roots and move ever closer to its customers and offer the sale of ready-mixed concrete (BPE) for individual customers throughout the country. Equipped with geolocation technology that makes it possible to identify the nearest professional partner that best meets the customer's needs, this digital platform allows for concrete to be ordered and paid for online.

A performance that serves sustainable construction

The Concrete range marketed in France enjoys "Origine France Garantie" certification, which guarantees customers that at least 50% of the unit cost price for a cubic meter of ready-mixed concrete (BPE) is generated in France, as well as all of its transformation stages.

1.5.1.1. Human resource challenges

- Continually strengthening the Safety culture.
- Ensuring the sharing internally of the humanist values bequeathed by Louis Vicat and the Group's family culture, combining respect, high standards, performance and solidarity.
- Within an inclusive environment, hiring talent at all levels and allowing them to flourish.

- Ensuring teams are committed by virtue of a trouble-free work environment, strong social dialogue built on trust, a compensation and promotion on merit policy that seeks to fairly share the value created.
- Contributing to the action plans to ensure the success of the ecological and solidarity transition and the digital transition.
- Facilitating the transformation of organizations.
- Ensuring succession plans are in place and participating in the business continuity planning.
- Contributing to the social and societal development of the countries in which the Group operates, incorporating an inclusion and diversity focus.

1.5.1.2. Governance of the HR challenge

Reporting directly to the Chairman and Chief Executive Officer, the Group's HR Department is based on a network of HR directors by country to take account of local regulations and situations. The Deputy Chief Executive Officer – Human Resources Director responsible for Occupational Health and Safety, HR and inclusion sits on the Compensation Committee and CSR Committee, which are part of the Board of Directors.

1.5.2. "Zero accidents" health and safety policy

This policy consists of continually strengthening the Safety Culture to enable all employees and outside staff to work in a safe and trouble-free environment.

Protecting the health of all employees and outside staff working on its sites and ensuring their "physical and mental safety" is one of Vicat Group's core values. The Safety culture is driven by the Chairman and Chief Executive Officer who asks the teams to make it part of their day-to-day behavior and to take action on events that are highly likely to be severe.

1.5.2.1. Protecting our teams and partners throughout the Covid-19 pandemic

In 2023, the Group did not see any "cluster" or contamination on site; no severe case and no death among the teams. Since 2020, no site has been closed directly or indirectly as a result of this pandemic.

The Group Covid-19 Emergency Committee and the Covid-19 officers in Group countries continued to oversee their action plans, switching to active monitoring.

To safeguard its teams and partners, each Country Management updated the procedures and physical and financial resources as the pandemic evolved in line with applicable laws and health protocols: wearing masks, complying with protective measures, equipment and supplies (masks, self-tests CO₂ meters, hand gel, plexiglass, forehead thermometer, etc.), business continuity plan, remote work, tele-medicine, supplies of medications in some countries, regular screening campaigns (including volunteer families), vaccination

campaigns, communication campaigns, etc. In France, close to 300,000 masks and over 2,000 self-tests are kept in a strategic reserve, ready to be distributed should the need arise.

During this period, from 2020 to 2023, the quality of relations with the labor partners and teams helped maintain trouble-free and decisive social dialogue to take and apply the right decisions. The Group's management ensured that employees were not impacted economically by this health crisis. There was no recourse to short-time working and compensation was maintained in the event of illness or leave due to an aggravating factor. Managers continued to receive special training in crisis management and management of psychosocial risks (PSR) and teleworking. Similarly, trainings to enable the teams to operate properly remotely continued.

The Group has shown solidarity with the communities in the countries where it operates by donating equipment. These initiatives are detailed in the Health section of the "Socioeconomic development of the countries" sub-chapter. Best practices are constantly consolidated and improved to respond to changes in this health crisis and anticipate future ones.

1.5.2.2. An organization to continually improve the Safety culture and achieve the "Zero Accidents" goal

The Group's Occupational Health and Safety Department consists of the Group Occupational Health and Safety Director and the fire and emerging industrial risks expert, reporting to the Deputy Chief Executive Officer – Directeur of Human Resources responsible for HR, Occupational Health and Safety and inclusion, who reports to the Chairman and Chief Executive Officer.

Each country has an Occupational Health and Safety Director, with Occupational Health and Safety teams reporting to him/her.

The Group and country action plans and results are reviewed:

- monthly by the Group's Occupational Health and Safety Department and by each Country Management together with their teams;
- monthly by the Group Occupational Health and Safety Department;
- by the Health and Safety Committee/HR;
- at the presentation of the annual budgets and long-term plans for each country by the Chairman and Chief Executive Officer and members of Group management.

The approach to Occupational Health and Safety fosters synergies between teams, businesses and countries. The active participation of the labor partners in the Safety culture positively contributes to improving Occupational Health and Safety performances. Various agreements are signed annually in each country with the labor organizations or employee representatives in this field. In France, the FO central union representative holds the position of Occupational Health and Safety officer, illustrating the Group's transparency on this matter.

1.5.2.3. Training on the Safety culture and the "Zero Accidents" goal

In terms of Occupational Health and Safety training, the goal is for 100% of teams to receive at least one Occupational Health and Safety training annually. This target was achieved in 2023, as in 2022, and was reiterated for 2024. Occupational health and safety trainings top the list, in terms of hours and budget, in the country training plans.

Thus in Brazil, Ciplan's Occupational Health and Safety trainings account for 65% of its training plan. Within the Group, behavior is one of the top training themes, a key factor in the Safety culture.

In 2022, Switzerland and France introduced a training program (Dupont-style) for their leadership teams on behavioral drivers and embedding the safety culture within the teams. This continued to be rolled out in 2023. This training was offered to all management in these countries in 2023. The Chairman and Chief Executive Officer has asked that this training be rolled out in other Group countries in 2024.

Significant efforts to raise awareness regarding major risks (lockout/tagout, confined spaces, working at heights, first aid, fire) were also undertaken with the teams and subcontractors. In 2023, over 1,800 actions were taken in this sphere in Kazakhstan. To change day-to-day behavior and promote the sharing of best practices, safety days have been held every year in the countries in addition to World Day for Safety and Health at Work. The "Safety minutes" are held every week by managers. The major topics covered include risk analysis, equipment logs, travel (in particular to reduce road accidents), manual and mechanical handling, the safe use of phones and smartphones, and working at heights, tidiness and cleanliness of facilities and prevention and treatment of psychoactive substance abuse (alcohol, tobacco and drugs).

Echoing its Occupational Health and Safety Charter signed by the Group Chairman and Chief Executive Officer, an Occupational Health and Safety campaign is distributed quarterly with "engaging learning" sheets. Support materials (posters and notices) are translated into all the languages in which the Group operates, allowing managers to raise team awareness of these vital issues. In 2023, four campaigns were run on these themes: equipment lockout/tagout, thinking before acting, preventing high heat and manual handling. In 2024, campaigns will be focused on machinery / pedestrian movement, electrical risk (same as for the global Occupational Health and Safety Day), confined spaces and the rules pertaining to major industrial risks. The training done in 2021 and 2022 continued in 2023 for the process teams, which participated in "firefighting" sessions, which were as close to actual conditions as possible. In parallel, work on improving fire expertise continued within the Occupational Health and Safety teams and onsite first responders.

1.5.2.4. Adapted and shared means and procedures for working in safety

At all its sites, the Group strives to improve working conditions to ensure Occupational Health and Safety, in accordance with applicable laws and regulations. The Group is implementing prevention measures to eliminate or reduce exposure to risks, risks themselves, workplace accidents and occupational illnesses. The two key action drivers (behavior and eliminating events that are highly likely to be severe) break down into the following approaches:

- Multi-annual action plans.** With the support of the Group Occupational Health and Safety Department, each country defines and coordinates its multi-annual plans, with the support of its Occupational Health and Safety teams. These plans are applied on each site to employees and outside staff. Each country adapts the "Occupational Health and Safety tools" to fit its needs. One of the best examples is the adoption of the "Essentials," rules defined by the Group Occupational Health and Safety Department and broken down by country and activity, which form the fundamental benchmarks used on a daily basis at each site. Every year, each country identifies in its budget the necessary investments to ensure the health and safety of its teams and outside staff. For example, in light of increased road risk as a result of the growth of their operations, the US subsidiaries fitted cameras to 95% of their truck fleet to facilitate prevention and training on the basis of actual driver experience. The fire protection facilities are continually enhanced for the overall protection of the sites as well as to ensure the perpetuation of response capabilities. This is part of a plan to increase reliability in tandem with the Group's broker and insurers. Outcome: the deductible on the "alternative fuels fire" risk has fallen significantly on the scopes in question.

- Standards and certifications.** Over the years, the Group has introduced Occupational Health and Safety and Fire standards. They are defined and continually improved in a collaboration between inhouse experts (Occupational Health and Safety, fire and emerging risks, manufacturing, insurance, etc.) and outside experts (brokers, insurers, trade associations, etc.). The French cement production sites are certified in accordance with the MASE (Manuel d'Amélioration Sécurité-Santé Environnement des entreprises) benchmark which makes external contractors subject to the same rules as the Group (training, induction (notably safety induction training), equipment, techniques and organization).

The Group has 81 sites in France certified to safety standards (MASE or ISO 45001) primarily in the Cement, Aggregates and VPI businesses. Outside France, the Aggregates business in Senegal obtained MASE certification in 2023. In Brazil, Ciplan uses the SICLOPE integrated system to manage its Occupational Health and Safety activities. This has allowed it to cut lost-time accidents involving outside staff by over 75% between 2021 and 2023.

- **Provision of personal protection equipment.** Each country ensures the availability of risk-appropriate collective and personal protective equipment for teams (employees and subcontractors) at all its sites.
- **Compliance of facilities right from project design.** The health, safety and fire compliance of facilities is considered from design stage and during operation in light of regulatory and technical changes, with the support of the performance-investment and insurance Departments, having regard to the Group Safety and Fire standards. This process, based on the Machinery Directive (2006/42/EC) and upcoming changes thereto (2023/1230), incorporates these requirements at specification stage via supplier technical files. Compliance audits are done by outside bodies throughout the construction process up to final acceptance and commissioning of the facilities. The work on bringing existing facilities into compliance is done through internal audits, related action plans and site upskilling (e.g.: France Aggregates approach).
- **Climate risks.** Constant monitoring is in place to anticipate high intensity climate events: floods, heat waves or cold snaps. Recent events in California, India, Brazil or indeed in the Roya valley (Nice - France), made it possible to refine our systems, have discussions around best practice to safeguard employees and equipment: early alerting, securing sites (evacuating employees, machine lockout/tagout, securing machinery), survival kits, PPE for high heat / extreme cold, etc.
- **Visits and Occupational Health and Safety internal audits.** Visits and Occupational Health and Safety audits are in place in Group countries. For example, in France, in 2023, over 60 internal cross safety audits were done in pairs, by a member of management and an Occupational Health and Safety expert. The approach makes it possible to ensure site compliance, the application of Occupational Health and Safety standards, the identification of non-compliant situations and sharing of best practice. In Brazil, close to 2200 site inspections (+50% on 2022) were done by the Ciplan teams. At Group level, under the auspices of the fire and emerging industrial risks expert, an audit plan of existing facilities (with a focus on alternative fuel facilities) is particularly looking at the technical components (fire detection and fire extinguishers) and "team organization and training". When visiting sites, the Chairman and Chief Executive Officer reviews the "Occupational Health and Safety folder" detailing the site Occupational Health and Safety indicators and events, and takes time to review with the teams on the ground the strengths and areas for improvement in Occupational Health and Safety on the site. This approach is repeated by regional and country management when on site visits.
- **Sharing experience and best practice.** This happens through meetings and discussions between Group teams, overseen by the Occupational Health and Safety teams. The "analyze risks before acting" approach, the quick-fire information sheets for any accident, near accident and hazardous situation, accident reviews and feedback, audit reports, awareness-raising media, communications tools and all the prevention documentation shared in a networked database that is available to all staff. In May 2023, a group security challenge was organized around the theme of lockout/tagout. This made it possible to share all related site best practices and to reward team commitment. The first prize has become a Group operational standard. Since 2022, a list of all fire outbreaks Group-wide was established by means of quick-fire information sheets. This process makes it possible to analyze all the events and propose corrective actions (through short "Group fire" updates and sharing of best practice). Since 2022, one of the top-priority shared approaches was reporting and addressing all events (hazardous situations, near accidents, minor accidents, accidents) that are highly likely to be severe. Based on this, feedback is shared with Group teams as quickly as possible in order to take action before an accident occurs. Staff at the Turkish subsidiaries thus reported over 5,000 risk situations in 2023, 75% of which had been addressed by end-October. This approach was enhanced in 2023 and will continue in 2024 and subsequent years.
- **Prevention of psycho-social risks.** Depending on their culture, some countries have put in place tools to prevent psycho-social risks (mental overload, burn-out, demotivation, anxiety, etc. arising from personal or work situations). In Brazil, Ciplan created an *Employee Assistance Program* giving teams access whenever necessary to psychological support from a team of outside experts in absolute confidentiality. In France, the partnership with JLO Conseils is similar. A new communications campaign targeting employees and outside contractors was undertaken in May 2023.
- **Ensuring the safety of expatriate employees or those traveling abroad.** The Group is continuing its training regime (e-learning modules made mandatory before any trip) alongside support and assistance, in cooperation with SSF and AXA International. Since 2020, these training courses have been supplemented by incorporating a set of procedures and operating methods to combat epidemics.

2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE

Vicat Group's contributions to sustainability issues

Ongoing improvement in Vicat Group's Occupational Health and Safety performance

In 2023, the Group's frequency rate hit a historic low. This reflects the commitment and ongoing efforts of Management, teams and employee representatives in each country to accomplish "zero

accidents". The 2023 severity rate was slightly up on 2022 due to a number of long-term accidents in the France scope (some of which are in the process of being reclassified due to their excessive nature).

Health and safety indicators for Group employees ⁽¹⁾	2023	2022	Change
Number of lost-time accidents among Group employees	84	96	-12.5%
Number of fatal accidents in the workplace among Group employees	1	1	NA
Number of lost days for Group employees	4,976	4,442	+12.0%
Frequency rate	4.18	4.81	-13.1%
Severity rate	0.25	0.22	+13.6%

Health and safety indicators – Cement Business ⁽¹⁾	2023	2022	Change
Number of lost-time accidents among employees	22	27	-18.5%
Number of fatal accidents in the workplace among employees	0	1	NA
Frequency rate	2.13	3.11	-31.5%
Severity rate	0.08	0.06	+33.3%

Health and safety indicators – Concrete & Aggregates Business ⁽¹⁾	2023	2022	Change
Number of lost-time accidents among employees	62	69	-10.1%
Number of fatal accidents in the workplace among employees	1	0	NA
Frequency rate	6.33	6.11	+3.6%
Severity rate	0.42	0.35	+20.0%

(1) These analyses were carried out on a sample of around 95% of the workforce, as data on recent changes in scope are not yet available for these indicators.

- (i) The sharp fall in the frequency rate to 4.18 in 2023 (4.81 in 2022) was primarily due to the improved situation in Switzerland and Turkey. France achieved the lowest aggregate number of accidents with and without lost time, namely 57 accidents in 2023 compared with 74 in 2022, a 23% reduction. This country's frequency rate is improving (7.35 in 2023 versus 8.94 in 2022, a 17.8% reduction). The Group's frequency rate is generated in close to half of the instances by same-level falls (ankle sprains for example) that are not serious.
- (ii) The severity rate was virtually unchanged at 0.25 in 2023 as against 0.22 in 2022. This result is explained by a few very long-term accidents, some without medical justification related to the accident, which occurred in 2022 and in 2023 in the France scope. The Group regrets a fatal road accident (a driver in the Ready-mixed concrete business in the United States) caused by a third party. Like every year, a significant number of Group sites didn't record any lost-time accident in 2023. Seven of the Group's cement plants recorded no lost-time accidents in 2023; some have not reported any for two, three or four years (e.g. Bharathi in India). In the Concrete & Aggregates business in France, five and six regions, respectively, did not record any lost-time accidents in 2023. Some countries reaffirmed their positive results with zero lost-time accidents: Italy, since 2013; Mauritania for nearly four years; and Mali and India for two years. In Senegal, staff at Sococim and outside staff working on the construction of Kiln 6 recorded 2 million hours without a work-related accident.

1.5.3. HR policies

1.5.3.1. Ensuring respectful management and a constructive social dialogue based on trust and transparency in accordance with human rights and labor law

Louis Vicat's humanist values built the strong Group culture and its teams embody them in their day-to-day activities. These values and this culture are the source of the Group's resilience during crises. By putting its employees first, Vicat Group relies on the strong and passionate commitment of its employees. It enters into constructive dialog, enabling it to maintain quality labor relations and ensure its teams a trouble-free working environment.

Compliance with international conventions

The Group's values and culture give rise to respect in relations with others, solidarity between teams, the inclination to lead by example, a capacity to mobilize energies, and the wherewithal to take strong action on the ground to achieve objectives. They are also at play in all dealings with its stakeholders. The Group ensures that in every country, its team act in accordance with the law in line with the United Nations Human Rights Charter. Its "companies strive to promote and respect the protection afforded human rights under international law within their sphere of influence; strive to ensure that its own companies

are not complicit in human rights violations". The Group operates in countries that are signatories to the United Nations Human Rights Charter and are members of the International Labor Organization.

Furthermore, the policies of Vicat Group and those implemented in each subsidiary cover i) respect for the principles and fundamental labor rights enumerated in the Declaration related to freedom of association, ii) acknowledgement of the right to collective bargaining, iii) the elimination of all forms of forced or mandatory labor, iv) the abolition of child labor and v) the elimination of all forms of discrimination and all forms of human trafficking.

Discrimination means any distinction made between individuals based on their origin, gender, family circumstances, pregnancy, physical appearance, particular vulnerability resulting from their financial situation, apparent or known to the perpetrator, surname, place of residence, state of health, loss of autonomy, disability, genetic characteristics, morals, sexual orientation, gender identity, age, political opinions, trade union affiliation, status of whistleblower, go-between or person linked to a whistleblower, ability to express themselves in a language other than French, membership or otherwise, actual or assumed, of an ethnicity, nation, claimed race or particular religion.

Accordingly in 2023, the Senegalese subsidiary Gecamines arranged training for staff representatives with the Thiès Regional Labor Inspectorate. In keeping with this, the Group complies with the UN Sustainable Development Goals in the areas that concern it. Training sessions are frequently organized for the teams with a law firm specialized in employment law (with a focus on professional equality, the prevention of bullying, sexual harassment, sexist behavior and discrimination) and in ethics and compliance. At the instigation of Group Management, entities in India, Kazakhstan and Senegal have each put in place a code of conduct complying with World Bank standards.

Proof of such compliance is found in the audits conducted by various local authorities, none of which revealed any failure to observe applicable laws and regulations in 2023, as in previous years. No Group company was the subject of a complaint or conviction for sexual harassment, sexist behavior or bullying, discrimination or infringement of freedom of association, or any other infringement of human rights in 2023. This outcome is the result of a Zero Tolerance Group policy whenever any violations are identified in these areas (including in the event of weak signals). This policy translates into training to prevent these risks or identify them early and thereby trigger responses to head off events. The Group has also a procedure in place, with a whistleblower component that takes into account both weak and strong signals, immediately makes sure the potential victim is safe, and triggers both formal investigations, to be conducted quickly and thoroughly, and swift sanctions if the facts are confirmed. The procedure also specifies that the Chairman and Chief Executive Officer should be informed as soon as an incident is detected.

Putting employees at the heart of corporate dialogue

All Vicat Group companies comply with local laws on respect for freedom of association and the right to collective bargaining, and respect for the right of employees to information and consultation. 100% of employees are covered by collective bargaining agreements. In the various Group companies, employees are systematically represented either by union representation or by employee representation. Built on respect, trust and transparency, active employee engagement enables positive social dialogue. All levels of management are open to ongoing discussions with staff. This managerial approach plays an active part in the good industrial relations. Despite the successive crises (Covid-19, war in Ukraine, energy shock, inflation), the social dialogue and industrial relations continued to enjoy the same level of mutual transparency and trust. As a result, there were no strike days recorded at the Group's companies in 2023.

For 2023, the scope adopted for the "Review of collective bargaining agreements" indicator was limited to France. 55 agreements were signed, mainly involving the sharing of added value through profit-sharing agreements, improving health coverage, gender equality and co-opting. On top of these 55 agreements are 53 unilateral decisions taken following consultation with the labor partners. 48 unilateral decisions were taken to activate the "Value-Sharing Bonus" mechanism to safeguard the purchasing power of teams and mitigate the effects of inflation. 2023 thus saw a significant number of agreements signed in the course of social dialogue in France and is testament to its strength.

Sharing value-added through a fair compensation policy

The Group's compensation policy is based on rewarding individual and joint performance and securing team loyalty. It takes into account environmental and inclusivity issues, culture, macroeconomic conditions, employment market characteristics, and compensation structures specific to each country.

The compensation policy pays particular attention to gender equality, without discrimination. It applies the "the same pay for the same work" rule for all employees. For several years now, like the compensation policy for executive Company officers, the variable portion includes specifically the performance of the Group's managers in terms of reducing greenhouse gas emissions, safeguarding biodiversity and inclusivity (with a focus on the position of women in the Group and their development).

In France, Vicat SA and its French subsidiaries apply the statutory scheme for employee profit-sharing or, in some cases, operate under an exemption. Sums received are invested in the Group savings plan (Plan d'Épargne Groupe, or PEG) and in Vicat shares, as applicable. In addition, Vicat has put in place a profit-sharing agreement. Employees may decide whether to invest the amounts received in Company shares through the PEG or in other vehicles proposed by a leading financial institution.

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A "Group Retirement Savings Plan" (Plan Épargne Retraite Collectif, or PERCO) has also been in place since 2013 and was transformed into an "Inter-company Group Retirement Savings Plan" (PERECO) in 2020 following the PACTE Law. In order to help employees better prepare for their retirement, since 2015 an agreement has allowed employees to annually transfer a set number of days from the time savings account (CET) and paid vacation (under certain conditions) into the PERECO.

In 2018 and before the PACTE law was passed, almost all Group employees in France already benefited from a mandatory and/or voluntary profit-sharing agreement. Since 2022, virtually all Group companies in France have had a profit-sharing agreement.

In 2023, the Group's French companies, in consultation with the labor partners, paid four sums under the Value-Sharing Bonus mechanism representing a "net" average of €747 in reflection of the commitment of the teams and to help offset inflation. This mechanism benefitted employees earning up to €75,000 gross per annum, with Management deciding to go beyond the threshold of three times the gross annual minimum wage. This "best offer" decision by Management was made following discussions with the labor partners in the same spirit as in 2021 and 2022. 89% of French employees benefitted. These bonuses totaled close to €2 million in 2023. The Special Purchasing Power Bonuses amounted to close to €0.8 million in 2019, followed by close to €1.6 million in 2020. In 2021, these Special Purchasing Power Bonuses, combined with the additional mandatory and voluntary

profit-sharing amounts negotiated with the labor partners, amounted to €2.3 million. In 2022, the Special Purchasing Power Bonuses amounted to close to €1.9 million. Between 2019 and 2023, these sums represented around €8.6 million for employees, on top of their usual compensation.

The overall increase in 2023, agreed following the mandatory annual negotiations with the labor partners, was 5% applied as from January 1, 2023. This means that, including the 3% overall increase in 2022, the Group gave employees in France an aggregate increase of 8% over 2 years, representing an additional 1 month's wage.

The impact of inflation on the teams was thus recognized and addressed by the various Group companies in France and abroad in 2023. The Malian subsidiary Ciment et Matériaux du Mali approved an overall increase of +5.36% in November 2023, backdated 2 years for the teams. In Egypt, employees received an overall increase of +20% and of +30% for those on the bottom wage grades. In Turkey, at constant exchange rates, salaries increased by on average 3.5 times between 2022 and 2023. In Kazakhstan, they rose +50% over the same period.

In all Group countries, its companies do not pay salaries lower than the local statutory minimum. Where no such legal threshold is in place, the salaries paid are at least greater than the minimum in the local market determined by comparing against benchmarks provided by independent local third parties: HR consulting firms, recruitment firms, etc.

Change in personnel costs as at December 31, 2023

<i>(in thousands of euros)</i>	2023	2022	Difference	Change
Wages and salaries	429,599	396,927	+32,672	+8.2%
Payroll taxes	131,618	125,794	+5,824	+4.6%
Employee profit-sharing	7,785	5,913	+1,872	+31.7%
PERSONNEL COSTS	569,002	528,635	+40,367	+7.6%
Average number of employees of the consolidated companies	9,903	9,745	+158	+1.6%

The Group's personnel costs increased by €40 million (i.e. +7.6%) to €569 million in 2023. This increase was the result of exchange rate impact of +€33 million and organic growth of +€73 million, driven by the higher headcount (+1.6% average headcount between 2022 and 2023), a reflection of the strong performance in certain countries, and the impact of inflation on gross payroll including employer's contributions.

The countries that saw a significant increase were as follows. Heavily hit by inflation and government measures on wages, Turkey saw an increase of close to €14 million (+78%) in its payroll between 2022 and 2023, after having seen a +87.5% increase in its payroll in local currency terms between 2021 and 2022. The payroll in France rose by close to +€12 million (i.e.+5.7%) between 2022 and 2023. This increase was mainly due to overall and individual

increases and the "purchasing power" bonuses paid in 2023. Close to USD 7.4 million of this increase (+5.5%) was attributable to the United States, and was due to both inflation and the higher number of employees driven by business growth.

Efficient and trouble-free work organization

Vicat Group's organization reflects its performance objectives. The management chain is short and the number of levels in the hierarchy reduced to operational requirements. Management is direct and local. Teams have real autonomy, driven by their commitment and sense of responsibility.

The Group's small, human-sized team organization has always favored the use of best practices such as continuous improvement.

Work is organized in compliance with local legislation on working and resting time as well as health and safety, and with the Group's own standards and international rules. This work organization is designed to deliver the best performance from teams at the lowest cost in a trouble-free environment.

In France, remote working has been negotiated with the labor partners and was launched on June 1, 2019. During the Covid-19 pandemic, the remote work agreements helped keep the teams safe, while providing them with a formal framework to cover their equipment, making it easy for them to work remotely, and some of the costs incurred due to remote work. Mindful of ensuring team cohesion, the number of remote working days is currently set at one day a week.

The Group pays close attention to the working conditions of its teams, in terms of occupational health and safety and also "working well together". The latter is built on the Group's culture and values, emphasizing respect, autonomy, empowerment and solidarity and encompasses the "quality of work life".

A mechanism allowing vacation days to be donated has been introduced at the Group's French companies to allow employees dealing with family problems to be gifted additional days' vacation by their colleagues. Work-life balance is carefully monitored.

100% of the teams in France are covered by a right to disconnect agreement.

In Kazakhstan, the Group continues to invest in Samal, a village built to enable employees at its Jambyl Cement subsidiary to live with their families close to its cement plant. This initial investment, costing multiple millions of dollars, prevents families from being separated for long numbers of weeks and provides them with agreeable living conditions.

Part-time work

The Group has little need for part-time jobs. In 2023, the proportion of part-time employees remained low. It stood at 1.6% of the workforce in 2023 (unchanged on 2022 and 2021). The following countries were the only ones to use part-time work, to varying degrees and generally at the employees' request: Switzerland (12.1%), Italy (4.3%) and France (2.2%). This limited use of part-time work reflects the secure employment policy that the Group has implemented in all the countries where it operates (proportion of women part-time in France almost level with that of men).

Shift working

Part of the Group's industrial business activities requires shift working. The statutory framework is systematically adhered to. In 2023, shift workers remained unchanged at 19% of the Group's total workforce.

Providing our employees and their families with social protection: VICARE

Depending on the conditions in the country where they operate, all Group companies provide their employees with social protection coverage (medical, benefits, pension, unemployment) to protect them and their families from life's uncertainties. This social protection

policy, VICARE, is improved each year in every country thanks to constructive engagement by management and the labor partners, with support from the Group's HR department. VICARE aims to provide a higher level of protection than offered by the statutory standards in each country.

In line with the principle of subsidiarity within the Group, VICARE is then implemented in each country, proof of how the local teams have taken ownership of it.

For example, in Brazil, Ciplan has developed the VIVA BEM program, which offers medical and social protection to its teams and their families, with best practices such as: medical consultation campaigns covering ophthalmology, dentistry, cardiology, vaccination, diabetes screening, psychological condition, etc.), sports activities, dieting, etc. 50 employees with chronic illnesses have access to a program that provides individual medical follow-up at their workplace. The free flu vaccination campaign covers 70% of staff (around 650 employees), helping collective immunity within and outside the company.

In India, the *Employee Welfare Initiative* program includes "Sanjeevani", supplementary coverage in the event the employee suffers from some form of accident intended for their family (to date, eight families have benefitted) and "Ashraya", supplementary coverage in the event of serious illness (to date, nine employees have benefitted).

In Senegal, Sococim reimburses 80% of staff medical expenses through its health insurance scheme. This practice is also offered by its subsidiary in Mali, Ciment et Matériaux du Mali.

1.5.3.2. Ensuring team engagement

The Group's ability to attract and retain employees through an effective and inclusive process are two cornerstones of human resources policy. Its employer brand is positive and attractive to applicants at all levels. It reflects its culture and values as well as its family nature, regional roots and international footprint. The Group's values and culture, along with its action plans to successfully navigate the ecological and solidarity transition, represent a solid foundation to enable employees to understand the meaning of their work and of their engagement.

Internal promotion is favored where possible. The objective is to offer everyone career development prospects that allow them to realize their ambitions and their full potential, while having regard to the company's interests. Mobility, both operational and geographical, is one of the conditions of this progression. The aim of the Group's human resources policy is to ensure that the individual and collective skills of staff are in line with the Group's strategy on a short, medium and long-term basis. By design therefore, 50% of the members of the digital team are internal recruits (with extensive digital training in place) and gender parity has been achieved. Individual performance assessments are done in each country through identified and objectives processes. In 2023, the MakeUsBetter engagement study done by the Indian subsidiaries reported an engagement rate of 78.9% amongst respondents as compared with an average of 71.4% for industrial operators in India.

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Track record on engagement, attractiveness and retention

Absenteeism

The level of engagement is reflected in the low absenteeism rate, even during the Covid-19 pandemic or emergencies. Absenteeism is monitored in each country in order to identify the reasons and take appropriate action.

This situation is under control at Vicat Group and improving in terms of this indicator: 2.9% in 2023 (despite the health emergency: 3.2% in 2022, 2.9% in 2021).

India had the highest rate at 5.9% and Senegal the lowest at 0.7%. In France, absenteeism is falling with a rate of 4.7% in 2023 (5.1% in 2022, 4.6% in 2021).

Attrition

The Group's turnover rate rose slightly (16.3% in 2023, 15.4% in 2022, 19.4% in 2021). This trend is explained by staff exits due to new legislation on retirement and restructuring in France.

In the United States and France, the subsidiaries were not affected by the "Great Resignation". In addition, in the countries with high absenteeism, the subsidiaries saw lower levels than the benchmark. Thus in India, the attrition rate in 2023 was 13.7% compared with a national average of around 20%. The indicators capturing general changes to the workforce attest to the Group's attractiveness.

Group headcount as at December 31, 2023 and change

Workforce at December 31, N-1	9,912
Natural attrition	(751)
Redundancies	(889)
Changes in consolidation scope	/
Recruitment	1,721
WORKFORCE AT DECEMBER 31, N	9,993

Average age and length of service

The cumulative stability of the average age within the Group and the average length of service reflects the general stability of the workforce and illustrates the responsible sustainability for which the Group strives in terms of employment. There is no significant difference between the average age and average length of service of men and women.

	Average age		Average years of service	
	2023	2022	2023	2022
GROUP	44.4	43.9	8.7	8.5
Of which France	42.7	41.9	9.5	9.3

1.5.3.3. Skills development plan to improve individual and collective performance

This plan aims to provide employees with ongoing training to adapt to changes in their industry as part of the ecological and solidarity transition and the digital transition. All Group stakeholders

(Management, labor partners, teams) see training as a key success factor for engagement and performance. It also serves to reinforce the safety culture and the Group's values and culture. The upskilling plans are also designed with short, medium and long-term horizons so that the teams can effectively adapt to the changes in the business lines over time. Training is provided on a repeat and long-term basis.

Track record on training

	2023	2022	Change
Number of hours of training	283,906	209,940	+35.2%

The +35.2% increase in training hours between 2023 and 2022 reflects Management's desire to accelerate the development of the Group's human capital. Corollary: The number of training hours by employee continued to rise in 2023 to 28.4 hours (21.2 hours in 2022, 20.5 hours in 2021).

When aggregate "Safety minutes" training/action hours are included, the target of at least one Occupational Health and Safety training course per employee was achieved in 2023. In addition, all Group employees have had to take a cybersecurity course since 2021. As a result of these requirements, nearly all employees took at least one training course in 2023.

In 2023, the Group's training plan remains focused on the safety culture, the ecological and solidarity transition, the digital realm and the prevention of cyberattacks, managerial performance, industrial and commercial performance, and inclusion. The trainings lead to qualifications or diplomas.

Thus, since 2010, Sococim has had a literacy program resulting in the granting of primary school-leaving certificates, plus professional competence certificates and technical school certificates in various sectors: mechanics, auto-mechanics, metalworking. Around 30 employees have thus obtained diplomas, having started out illiterate.

In France, the Group has had long relationships with apprentice training centers relevant to its business lines (CFA in Montalieu in particular), to expand apprenticeships, a wonderful training pipeline. The apprenticeship rate in France rose to close to 7% in 2023 (6.5% in 2022), once again exceeding the 6% target, in order to create a training pipeline for the Group's business lines and prepare future hires.

In France, with the Vicat corporate university, the Group has an internal training institute housed within its Sigma Béton subsidiary. Training courses are developed and delivered by drawing on in-house technical expertise. Other countries, such as Switzerland with its Vigier Academy, have similar programs. The Group's online training platform, CAMPUS Vicat, launched in 2022, continues to be a great success. It gives teams access to online training modules on top-priority areas for the Group including: safety culture, ecological and solidarity transition (reduction in greenhouse gases, climate strategy, sustainable development, eco-driving, etc.), compliance (duty of vigilance, combatting corruption) and ethics (competition best practice, etc.) as well as prevention of harassment or addictions. At the Group's annual seminar, its 100 managers did the Fresque du Climat training, reflecting the Group's commitment to the ecological and solidarity transition.

1.5.3.4. Diversity and inclusion policy and combating discrimination

This means taking long-term action to promote inclusivity, the key to performance and creativity.

Vicat Group continues to adopt an inclusive approach both in its policies for employees and those for local residents in the (typically rural) areas in which it operates. These policies include diversity, gender equality and anti-discrimination initiatives and reflect a desire for stable employment by offering permanent contracts to a vast majority of employees (over 90% of Group employees since 2020). In France, nearly 94% of Group employees have a permanent contract (out of a group that includes apprenticeships). As an example of the Group's commitment to inclusivity, an in-house guide entitled "Best practices for effective and inclusive recruitment" was introduced in 2019 and rolled out to the Group since 2020, with a related e-learning module. The Group's values and culture are real assets to help succeed in these efforts.

Commitment to equal treatment of women and men

Vicat Group recognizes and promotes the positive impact of women in its business. Gender equality remains one of the basic elements of its human resources policy and performance. Measures appropriate to each country are adopted to ensure equal access to jobs and training and equal treatment in terms of compensation and promotion between men and women.

In 2023, the average number of training hours per female employee (40.7 hours) was markedly higher than per male employee (26.7 hours). In developing countries, the Group's subsidiaries heavily invested in training their female teams in 2023 in comparison with 2022. All actions and results are supported by the Louis Vicat Foundation, with its Chair's constant commitment to gender equality. These results are achieved by having regard to the industrial nature of the Group's activities and jobs. Because of prejudice, industrial jobs remain very much the preserve of men. In particular, Blue-collar positions accounted for 54.1% of the total workforce in 2023 (52.2% in 2022) but only 3.3% of them were women in 2023 (3.1% in 2022, 2.5% in 2021 and 2.3% in 2020). The result is the low proportion of women (12.1% in 2023, 11.8% in 2022, 11.5% in 2021) in the Group's workforce.

The Group is looking to continually increase the number of women in all job categories. As in previous years, the Group continued its action to "ungender" the positions in the minds of (internal and external) recruitment personnel. The Group has always had a never-say-die attitude when it comes to increasing the proportion of women in the companies.

The result of a training policy for women, the ever-increasing recruitment and internal promotions of women, are concrete examples of the success of an initiatives undertaken.

A further example, early on the Group understood that innovation, the cornerstone of its history and its strategy, requires the presence of female employees. The Research & Development and Marketing Department teams are thus made up primarily of women (including in leadership roles).

Outside of France, an action plan was put in place in 2016 in the Group countries in which women haven't traditionally worked in industry. The main goal is to hire women for industrial jobs by being proactive and using disruptive approaches. In the Effective and Inclusive Recruitment Guide, Management is asking for it to be standard practice to systematically include women among the candidates put forward, including for positions traditionally held by men. This applies to work placements, apprenticeships and fixed-term, permanent and temporary posts. Thus in Senegal, Sococim pursued its multi-annual plan to hire female technicians and managers, increasing its female workforce from 30 to 37, between 2021 and 2023. In 2023, Gécamines, another Senegalese subsidiary, hired 2022 heavy machinery drivers and one console operator following on from hiring 11 women between 2021 and 11, 3 of whom for industrial roles. Ciplan, the Brazilian subsidiary, launched a "forklift driver" training for vulnerable women living near the cement plant with a view to hiring one of them over time.

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The Group's efforts also encompass girls in school. Given the lack of women in training courses for industrial professions (in mechanics for instance), the Group is developing apprenticeships for young women. In 2023, in France, Vicat also once again participated in "Industrie'elles, Déployez vos Ailes !" as part of its partnership with Sport dans la Ville. This program changes perspectives and breaks down clichés to ensure girls are not discouraged from pursuing industrial careers. Vicat takes part in "L dans la Ville", which is a program that runs across all of the programs of Sport dans la Ville. It gives young women the same opportunities for success by supporting their development and job-seeking. It allows the young women on the program to work on the barriers to considering industry, and to come up with concrete solutions to be put in place to build a positive vision for this sector and make industry more attractive. In India, the mentoring and internship program for young technicians and engineers made it possible to bring 10 women into the cement plant in Kalburgi. The Group is also working on workstation ergonomics and on adapting recreational spaces for women.

For the past number of years, the Group has also been working to increase the proportion of women in management teams. Through teamwork, coaching, training sessions and the sharing of best practices, the objectives are to identify female talent, improve women's performance, accelerate their leadership maturity, enable them to become aware of their specific qualities, style and roles as leaders (a strong leadership characteristic within Vicat Group). These approaches combine to lower external and internal obstacles to giving key Group positions to women. To effectively support the process towards more gender-balanced teams, the Group developed its own internal network (Vicat by Elles) and signed up to multiple networks in France ("Entreprises Réseau Égalité", for example) and abroad (African Business and Social Responsibility Forum, Women leader program in Brazil, etc.).

The Sococim Foundation, operated under the technical supervision of Senegal's Ministry for Women, Families and Gender, supports the Group's policy to recognize the role of women in business by helping Senegalese women develop their own businesses.

Bottom line, around 41% of the Corporate management team surrounding the Group's Chairman and Chief Executive Officer is made up of women. In addition, since 2018, for the first time in the Group's history and likely in French industry for a group of Vicat's size, a woman has held the position of central union representative from Force Ouvrière (the majority union). Since 2017, the Company has had one of the youngest female directors of any French listed

company with Éléonore Sidos (26 years of age in 2023). With this appointment to its Board of Directors, the General Meeting and the shareholders have set an example for young female talent to fast-track towards gaining intensive professional experience and taking on significant responsibilities. Management also decided to bring an employee representative onto the Board of Directors from 2016, even though by law it was not required to do so until a later date. Given the quality of labor relations, the Central Social and Economic Committee's method of appointment is such that it was only natural to have a woman fill this role.

The Group pays particular attention to the equal treatment of women and men.

As regards wages, the Compensation Committee notes that the continuity of Vicat's gender equality policy, driven by merit-based promotion, helped to keep the gaps low in 2023, as in 2022 and 2021. As expected, three women are in Vicat's top 10 salaried positions as of 2021. Internal promotion initiatives are continuing in order to achieve parity in the top ten salaried positions.

Since 2017 in France, to exceed the targets set out in the agreement on gender equality with regard to pay (approved by its labor partners), the Company has embarked on a detailed wage review together with its labor partners to identify potential gender pay gaps on a "post-by-post" basis and has agreed in principle to a special remedial budget. The gap in terms of number and amount is close to 0%. Any necessary adjustments are systematically done without delay. These results illustrate Vicat's parity policy driven by promotion on merit.

Another example of an agreement signed to promote professional gender equality is the parental leave policy applicable in France, which has been improved; it guarantees pay and offers the option of a five-day part-time extension.

In accordance with the French law "Liberté de choisir son avenir professionnel" (Freedom to choose a professional future) adopted in August 2018, Vicat Group has published the results of the gender equality index for its companies in France. Based on either 4 or 5 indicators depending on the size of the company, companies must score at least 75 out of 100 on this index. For instance, the Group's French companies with 250 plus employees all scored 85 or more in 2023. At the request of the Chairman and Chief Executive Officer, each company is implementing a gender equality action plan across different criteria, in France and abroad.

Year	2018	2019	2020	2021	2022	2023
VICAT	87/100	89/100	92/100	89/100	92/100	92/100

For the purposes of comparison, in 2022, the average score in France was 85/100 while the average score of French cement companies was 84/100.

Track record on gender equality

Workforce as at December 31, 2023 by gender, category, average age, and average years of service

(in number of employees)	Total	Including			Average age	Average years of service
		Executives	White-collar	Blue-collar staff		
Women	1,207	303	727	177	43.8	7.8
Men	8,786	1,334	2,221	5,231	43.0	9.1
TOTAL	9,993	1,637	2,948	5,408	44.4	8.7

Analysis of the workforce as at December 31, 2023 by gender

	2023	2022
Women	12.1%	11.8%
Men	87.9%	88.2%

Proportion of women as % of total workforce	2023	2022
Management	18.5%	16.6%
White-collar	24.7%	24.2%
Blue-collar staff	3.3%	3.1%
GROUP TOTAL	12.1%	11.8%

Of which France	2023	2022
Management	27.6%	26.5%
White-collar	29.5%	29.8%
Blue-collar staff	3.8%	3.9%
GROUP TOTAL	19.9%	19.5%

The proportion of women employed in the Group continues to grow, reaching 12.1% in 2023 (11.8% in 2022, 11.5% in 2021, 10.7% in 2020). In France, the level of female employees rose once again to 19.9% (19.5% in 2022; 19.6% in 2021; 18.5% in 2020). The Management category drove this female participation rate from 26.5% in 2022 to 27.6% in 2023; the other categories remain almost unchanged: White-collar category (from 29.8% in 2022 to 29.5% in 2023) and Blue-collar category (from 3.8% in 2022 to 3.9% in 2023). With a female workforce of 26.4% and 21.7%, respectively, Kazakhstan and Italy continue to come top alongside France (19.9%). The Ciplan subsidiary is the Brazilian cement company that proportionately employs the most women in this country (11.3%). Reflecting the actions taken by management in each country, the percentage of female executives has continued to increase to 18.5% in 2023 (16.6% in 2022, 16.4% in 2021 and 13.9% in 2020).

The countries in which the proportion of female managers is close to or over 30% are Italy (50%) and France (27.6%). Nearly 36% of executive hires in France were female in 2023 (30% in 2022). Three countries have close to 20% female executives: Kazakhstan (23.5%), Brazil (21.4%) and Senegal (16.7%).

Intergenerational teams policy

Recruitment, training, compensation and promotion policies stipulate that the Group cannot discriminate against an employee or applicant on the grounds of age. The profiles of younger and older candidates hired in 2023 are a direct result of these policies.

Taking working conditions into account, the health and safety in the workplace policy backed by management supports the retention of employees over the course of their career. There are no early retirement plans or age-related measures within the Group.

The management teams at the businesses pay particularly close attention to training employees to prevent obsolescence in terms of employability, skills and performance and to ensure that there is no digital divide. New recruits are given field training where they learn directly from the skills and know-how of more experienced personnel. Conversely, young people train older people on new technologies. Accordingly, at the Gécamines subsidiary in Senegal, younger staff train older staff in using the on-board equipment on the new machinery.

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In France, in order to bolster training courses in the materials industry, the objective in terms of apprenticeships was to reach 6% of the workforce in 2023. It was exceeded, hitting close to 7% of staff (6.5% in 2022) including over 20% from disadvantaged city neighborhoods and areas designated for rural development; the same level as VIE (International Internship Program) hires. The commitment to

achieving parity in this group remained unbowed in 2023, yielding 40% females versus 60% males. Since 2020, the Group's activities in France have partnered with the French government's plan: "1 jeune, 1 solution", with the support of the Louis Vicat Foundation. Other initiatives to help children and young people are listed in the "In education to improve student facilities and learning" section.

Breakdown of workforce by age at December 31, 2023

Age pyramid	<20	20-25	25-30	30-35	35-40	40-45	45-50	50-55	55-60	60-65	>65
Percentage (%)	1.4%	4.8%	9.0%	12.1%	15.0%	15.0%	14.2%	13.1%	10.4%	3.8%	1.0%

In 2023 as in 2022, the Group had a balanced age pyramid. Nearly 71.6% of the workforce is under the age of 50 and nearly 28.4% is over the age of 50.

Measures to promote the employment of people excluded from the jobs market

The Group has an active policy to recruit and train the long-term unemployed in the primarily rural areas in which it operates. This policy involves above all concrete measures like regular site visits by the long-term unemployed; work experience; and permanent contracts offered to young people with no qualifications given training (for example, at the CFA de Montalieu apprentice training center) before starting their new position. There is ongoing collaboration with organizations that promote integration into the workforce (*Missions Locales, École de la 2e chance, Pôle Emploi*, etc.).

For example, in India almost 400 villagers (often illiterate and uneducated) were trained then hired to work at the Kalburgi and Bharathi cement factories.

Since 2013, Altola, a Swiss Group company, has been working with Oltech GmbH, a not-for-profit company offering socio-professional opportunities for the long-term unemployed. Mauricim, a subsidiary in Mauritania, outsources activities to a local company that only hires people from disadvantaged backgrounds, offering them fair compensation and quality working and living conditions.

In 2018, Vicat Group accepted French President Emmanuel Macron's invitation to join the *La France une chance, les entreprises s'engagent* and "P.A.Q.T.E" (*Pacte avec les Quartiers pour toutes les Entreprises*) initiatives, which are included in the France Relance plan, in order in particular to ramp up the learning, mentoring and hiring of residents in disadvantaged city neighborhoods and areas designated for rural development.

Since 2019, Vicat has become involved with inclusivity clubs in Isère, Alpes-Maritimes, Rhône and Allier. Sophie Sidos, Chair of the Louis Vicat Foundation, was appointed co-leader of the Isère inclusivity club by the Minister of Labor, Muriel Pénicaud. Vicat also joined the "Business Council for a More Inclusive Economy" with a focus on three areas: apprenticeships, mentoring and inclusive purchasing. Ever closer partnerships with associations focusing on social insertion such as *Sport dans la Ville, Tous en Stage, Institut Télémaque, Afiph (Association Familiale de l'Isère pour personnes*

handicapées), Les entreprises pour la cité and establishments to help job seekers, such as *Écoles de la 2e chance* and *Missions Locales*, have helped turn these commitments into concrete actions. Like every year, permanent positions have been reserved for individuals from disadvantaged city neighborhoods and areas designated for rural development. They accounted for 20% of new hires in 2023.

Site visits in France for the long-term unemployed or people from disadvantaged backgrounds continued, with a view to reducing barriers to returning to work as well as growing the appetite for working in industry in rural areas. In 2022 and in 2023, the target of having 1% of the workforce be mentors was achieved with some twenty young people from disadvantaged city neighborhoods and areas designated for rural development being offered mentoring. In 2023, when filling its apprenticeships, 20% of those hired were from disadvantaged city neighborhoods and areas designated for rural development. In 2023, the Group once again partnered with *Sommet de l'inclusion économique* run by the Mozaik Foundation under the auspices of the Ministry for the Economy, Finance and Industrial and Digital Sovereignty. During industry week, the Industry Minister Roland Lescure, highlighted the efforts made by Vicat in its Plan for greater social diversity in industry, gaining recognition as a responsible employer, particularly in rural areas. Management also promotes inclusivity by supporting the Vulnerabilities Chair at Lyon Catholic University, with the active involvement of the Chairman and Chief Executive Officer, and the Chair for Economic Peace, Mindfulness and Well-being at Work at *Grenoble École de Management*. These efforts enable Vicat and its subsidiaries to successfully satisfy social and inclusion criteria to win tenders; further proof of their effectiveness.

Measures to promote the employment of people with disabilities

Vicat Group has an unswerving policy adapted to persons with disabilities. The Group seeks to lead by example.

The Disability Committee was established in 2021 and is comprised of the Chair of the Louis Vicat Foundation, Management representatives, an employee with disability, members of the HR Department and the labor partners. Its role is to promote the disability action plan across its four areas: raising awareness, recruitment, support and retention, as well as inclusive purchasing. This committee meets four times a year and is breathing new life into the approach taken by the

Group for many years. The action plan is coordinated by General Management, Country Management and supported by the support departments (human resources internally and purchasing department externally), with the support of the Louis Vicat Foundation.

In France, the proportion of employees with disabilities leveled off at 2.5% in 2023 (2.6% in 2022, 2.7% in 2021 and 2.1% in 2020). Two-thirds of the jobs held by employees with disabilities are industrial jobs. At the Montalieu cement plant, the Group's flagship industrial facility in France, employees with disabilities represent over 7% of the permanent workforce.

This policy is also reflected abroad, in particular in Egypt (7.7%), Italy (4.4%), Brazil (2.9%), Mauritania (2.9%) and Turkey (1.7%).

Despite the efforts of Group companies, the large disparity in national government policies in this field limited the proportion of Group employees with disabilities to 1.6% in 2023 (1.7% in 2022).

In France, a disability agreement was negotiated in 2022 with the labor partners for employees who are officially recognized as workers with disabilities (Reconnaissance de la Qualité de Travailleur Handicapé - RQTH). This agreement follows on from the appointment in 2020 of a Disability Officer and the establishment of the Disability Committee in 2021. In 2023, this agreement was shared with Management in the various Group countries and implemented in line with their circumstances. This agreement aims to improve the results in the four following areas in which the Group has long been working.

Raising awareness

Raising awareness is about normalizing disability amongst the teams, combatting any qualms and prejudices, the unease around bringing in an employee with disability. It encourages the employees in question to step forward without fear and help them with RQTH recognition.

In 2023, the approach gave rise to a poster campaign. Its aim was to raise teams' awareness and combat any stereotypes that might persist. The campaign highlights personal and teamwork success stories, like those of a hard-of-hearing heavy truck driver and an employee who works in our quarries and has a debilitating lung disease. This campaign is ongoing in all Group entities and includes "chats" on the topic. A further example: all France-based teams took part in the European Disability Employment Week held in November 2023. *DuoDays* were held during the week. A further example: the Group has rolled out a series of actions targeting research into cystic fibrosis at the initiative of the Chair of the Louis Vicat Foundation, in particular through the participation of the teams and financial donations for the "Les virades de l'Espoir" event, which aims to raise funds for cystic fibrosis research.

Recruitment

The goal is to increase direct employment, mainly in France, to 3.8% (French national average) in 2023 and 4.5% in 2025, despite the following difficulties:

- most sites are in rural or suburban areas and require means of transport;
- industrial careers within the Group are too often wrongly perceived as being incompatible with disability by people with disabilities and their families.

In 2023, the Group continued to expand its partnerships with specialist recruitment firms. It continued to take part in job fairs dedicated to people with disabilities.

Retention and support of our employees

In 2023, work continued on workstation adaptations. Ties with outside specialists (occupational physicians,...) and with organizations like Agefiph (association that manages funds to help improve access to employment for people with disabilities) and Afiph (the Isère Family Association for People with Disabilities) have been strengthened.

Crafting the necessary environment for healthcare and return to work in cases of serious illness (cancer primarily) involves coordination with the relevant parties having regard to the fact that each case is unique.

Additional paid leave is provided where the employees in question have disabilities.

Inclusive purchasing

The goal is to increase indirect employment through inclusive purchasing by expanding outsourcing contracts with the protected and sheltered employment sectors (assignment of workers with disabilities to Group companies, provision of services, such as upkeep of green spaces, the removal of certain waste, mail, etc.).

For example, in 2023, the Group's Purchasing and IT departments subcontracted the recycling of all the obsolete IT equipment from the Group's headquarters to AFB, a sheltered employment company specializing in the recycling of IT equipment.

All the Group's Purchasing teams did an Inclusive Purchasing training in 2023. The partnership with "Collectif des entreprises pour une économie plus inclusive", which brings together the largest French companies, makes it possible to obtain additional best practices in this realm.

1.6. Ethical business practices

1.6.1. Vicat Group vision

With, on one hand, the goal of maintaining a lasting bond of trust with its stakeholders, and, on the other hand, an awareness of the high level of ethical risks in emerging markets (fraud, corruption, conflict of interests), the risk of slander particularly on the Internet, and the growing risk of cyberattacks, Vicat Group makes every effort to strengthen its culture of integrity to ensure its long-term prosperity, naturally taking account of ever hardening regulations.

1.6.2. "Ethics and compliance" mechanism

To prevent certain isolated behavior that may potentially damage its image and reputation and to combat corruption, Vicat Group has drawn up its "Compliance Policy" in the form of two major documents:

- a Code of Ethics containing the intrinsic and fundamental values of Vicat Group and the principles governing its actions;
- an Anti-Corruption Code of Conduct that incorporates the behaviors to adopt to meet the commitments of the code of ethics and that concerns all employees as they perform their day-to-day duties.

These documents form the basis of the ethics and compliance system and are translated into all the languages in which the Group operates. These documents constitute non-negligible rules governing respect of Human Rights, fundamental freedoms, health and safety, diversity, the environment and combatting discrimination, fraud, corruption and influence peddling. They also reiterate the commitments required of Group employees: safeguard the Group's assets and image, ensure the quality and safety of its products, respect ethics rules and regulations including GDPR (available on the website of the French Data Protection Agency).

The prevention and management of risks associated with current international sanctions is subject to a Group procedure shared with Management in each country.

It is the responsibility of the Compliance Department, which reports directly to the Chairman and Chief Executive Officer (in accordance with the recommendations of the French anti-corruption agency - AFA) to implement and monitor these policies and their effectiveness. It leads a network of 13 Compliance Officers present in each country. It is supported by the Internal Audit Department for its operational procedure audits.

As part of its compliance continuous improvement process, Vicat Group voluntarily agreed to multiple independent audits by a specialized firm with an international footprint.

Vicat Group regularly reviews its risk map, the most recent version being from end-2021.

The Compliance Department also reports its actions to the Audit Committee and to the Compliance Committee meetings held every quarter.

In collaboration with the Training Department, it raises employee awareness around compliance and provides training. Its looks to train the relevant people on combatting corruption and on competition law, with a training module done by a specialist law firm. The Group training plan has multiple e-learning training modules on compliance, in addition to occasional classroom trainings.

In 2023, Vicat Group also wanted to put the spotlight on the duty of vigilance, by offering an e-learning training module available to as many people as possible. The Group "Third-party evaluation" procedure rounds off the system. Third parties includes customers, suppliers, possible intermediaries and partners. It is about better understanding our third parties in terms of compliance in order to change behavior in response to risks by not entering into dealings with anyone who presents a compliance risk or by breaking off dealings if necessary. From a systems perspective, over the past two years the Group has also been progressively ramping up controls, thanks to more widespread use of third party screening tools, with 3 additional countries covered in 2023.

In 2023, the Group's anti-corruption system was also strengthened with the addition of a policy covering gifts and invitations. This was published at end-2022 and sets out the internal rules, how the control works and the associated reporting.

In line with regulations, the ethics framework also has a whistleblower system (ensuring anonymity, through all in-person and remote means) and a system of disciplinary sanctions including possible dismissal. The whistleblower system allows employees, suppliers and customers to safely report anything that might be considered questionable behavior under the Code of Ethics and the Code of Conduct. There are regular training, awareness and communication campaigns around this system. Vicat Group undertakes to protect the whistleblower: the latter may not be penalized, fired or discriminated against by virtue of being a whistleblower. All reports are processed and lead to the adoption of appropriate measures. This framework allows the Group to comply with the requirements of French law (Sapin 2 Act). In light of the dealings between the Group and its management and the public authorities, Vicat Group, which is headquartered in France, is registered on the declaration website of the (French) High Authority for Transparency and Public Life, in charge of monitoring ethics and conflict of interest issues relating to the exercise of public office.

Track record on compliance

In 2023, over 80% of audits contained compliance controls.

Vicat Group saw a significant improvement of around 23% in the proportion of third parties evaluated. The bulk of at-risk third parties are now assessed in France, the United States, Switzerland, Mauritania, Egypt and Italy. The Group has chosen a single third-party assessment tool for all its entities. Roll-out should be complete by end-2024 and will enable the group to continue working on this.

The other key indicator is that of compliance training. In light of team turnover, our target is to achieve a training rate of over three quarter of potential trainees. This target was exceeded in 2023. Moreover, with the roll-out of group training tools during the year across all countries, the Group also improved the quality of its trainings and consolidated the tracking data.

1.6.3. Combatting tax evasion

The Group's tax affairs are managed responsibly. The Group thus undertakes to:

- **ensure tax compliance.** It strikes to comply with the applicable tax regulations, rules and laws in the countries in which it operates. The Group strives to comply with its reporting and payment obligations. It does not engage in either tax fraud or evasion. In the event of uncertainty regarding the interpretation of some provision, Vicat Group has recourse to local tax experts and may also seek prior approval from the relevant tax authorities.

With respect to cross-border transactions, Vicat Group complies with the applicable OECD principles and strives to ensure that its transfer pricing is at arm's length. This is primarily for services (management fees) provided by the head office in France to its subsidiaries;

- **managing their tax affairs in a manner that safeguards the value of the Vicat Group.** Vicat Group must safeguard its competitiveness and grow its businesses in order to create value for shareholders and stakeholders. The Group thus pays its fair share of tax in the countries in which it operates. In the same spirit, the Group ensures that it applies the most appropriate tax options permitted under local tax law and that it is not subject to double taxation.

Some States offer tax incentives to encourage companies to invest in infrastructure and technology and thereby underpin economic investment and employment. Vicat Group benefits from such incentives in compliance with the relevant provisions.

1.6.4. Cybersecurity

To support increasing process computerization and the volume of data associated with the digital transition it is undertaking, Vicat Group is making every effort to secure its information systems and data in the appropriate ways and thereby protect itself as best possible from any cyberattack.

The Cybersecurity Director, together with their team, manages data protection and IT system security. The security rules are set out in an IT System Security Policy and its offshoot for the industrial systems. All employees have been made aware of best practice when using IT systems through the IT Systems and Digital Tools Utilization Charter to ensure all employees help manage cyber risk. They are required to take a cyber-security awareness e-learning program and are regularly tested through phishing simulations.

Investments are made annually to strengthen the Group's cyber-resilience. The Group has also established a cyber crisis management procedure supplemented by regular exercises.

Lastly, the Group has set up a Security Operating Center, which operates 24/7, to monitor all the Group's office IT systems and detect cyber incidents. This system is also being rolled out to Group cement plants.

1.7. Supply chain management and responsible purchasing

1.7.1. Vicat Group vision

Due to the volume of annual purchases, totaling around €2.8 billion, Vicat Group is particularly mindful of the potential consequences of its dealings with its suppliers, subcontractors and service providers worldwide. A regulatory breach by one of its suppliers, particularly concerning human rights, health, safety or indeed the environment may have a lasting direct or indirect impact on the Group's financial performance and reputation.

The challenges for the Group in its dealings with its suppliers are as follows: secure its purchasing, reduce the overall footprint of its purchases and contribute through its purchasing to the socioeconomic development of the countries in which it operates.

1.7.2. Responsible purchasing policy

The Responsible Purchasing Policy was drawn up by the Group Purchasing Department in 2021. It aims to reconcile profitability and corporate social responsibility in terms of Vicat Group's overall strategy. This Policy can be found on Vicat's website. It is built around two major sets of actions: the promotion of local purchasing and streamlining the Group's supplier portfolio.

The Group's Purchasing Department also relies on the "Group Purchasing Directive", rolled out in 2022, which sets out the core rules of the purchasing process. Assessment of compliance with this Directive began in early 2022 and continued in 2023 across ten entities in six countries.

As part of a continuous improvement process, the Group Purchasing Department supports the purchasing units in the subsidiaries to facilitate the incorporation of corporate, societal and environmental factors into their decision-making processes.

In order to help achieve the targets the Group set itself, the Group Purchasing Department has drawn up a responsible purchasing roadmap in coordination with the Group's other strategic departments. It ensures that it is distributed to the buyer groups in all the countries in which the Group operates. It is against this background that the subsidiaries began to draw up their own roadmaps, in compliance with the Group's.

The Group's Purchasing Department continues its efforts to raise awareness by holding training sessions on CSR and the Sustainable Development Goals alongside discussions at the annual Group Purchasing Committee meetings. In 2022, 100% of buyers had received an initial training. A second wave of training is planned for 2024. The most recent Purchasing Committee meeting in October 2023 was an opportunity to prepare the next phases set out in the roadmap.

1.7.2.1. Promoting local purchasing

Vicat Group strives to obtain its purchases and supplies locally (in the country having expressed the need) and, insofar as possible, from small and medium-sized companies that play a key role in local economic activity. That is why the Group's supplier base was enhanced with new indicators to give it greater depth of knowledge on the listed supplier.

The Group Purchasing Department also encourages all Group subsidiaries to give preference to "inclusive" suppliers, in particular those that choose to employ people with disabilities. In France, it published an "inclusive purchasing guide". As a member of the "Collectif d'entreprises pour une économie plus inclusive", Vicat is looking to add further inclusive suppliers.

1.7.2.2. Managing a group of responsible suppliers

Vicat Group seeks to work with suppliers that have implemented CSR approaches. Creating such a supplier group means working closely with its suppliers to identify and manage upstream value chain risks. The Group worked on creating an initial map that made it possible to select the key purchasing families. Three main criteria were used to guide it in its work:

- the volume of purchases;
- the impact of CO₂;
- the safety risk.

This mapping allowed Vicat Group to roll out, in priority, the actions set out in the roadmap for suppliers in these key purchasing families, namely:

- get all its suppliers to sign up to its Code of Conduct. This code, which can be found on Vicat Group's website, defines the principles suppliers must respect when working with the Group. During negotiations, this Code encourages innovative proposals to promote the ecological and energy transitions and continuous improvement processes with respect to the environment (monitoring their CO₂ emissions) and working conditions (health and safety – ban on child labor);
- remove from the active supplier base those who may present risks. These may involve risks to the health and safety of the people under the responsibility of said supplier, human rights risks, environmental risks resulting from the supplier's operations and behavior and finally a risk from the supplier's particularly high level of CO₂ emissions. Each Purchasing Department does such an annual review of its supplier pool;
- committing to assess suppliers. In 2022, the Department did an initial assessment of the Group's major suppliers via an internal CSR questionnaire. In order to broaden this over time to all suppliers, the Group Purchasing Department undertook a study involving outside experts to identify the most appropriate solution. The corresponding contract will come into force in early 2024 to begin CSR assessments of key suppliers;
- identifying so-called "vulnerable" suppliers. Some countries have started tracking the level of dependence of their suppliers;
- continuing sourcing from the second-hand market, particularly for spare parts. Furthermore, some end-of-life products have continued to be recycled to extend their usage as long as possible (refractory bricks, IT equipment, etc.);
- encouraging the use of recycled products, for example IT equipment.

Track record on responsible purchasing

	2023	2022
Average percentage of national purchasing	65%	65%
Average proportion of revenue with SMEs	60%	60%
Number of Supplier Codes of Conduct signed	1,150 (9% of active suppliers)	600
Average proportion of Group purchasing contracts that contain a specific CSR clause	30%	20%
Proportion of Group buyers who received training on CSR and the UN SDGs	95%	90%
Average percentage of supplier invoices paid by the due date	80%	80%

1.8. Commitments to communities and the socioeconomic development of the countries

1.8.1. Vicat Group vision

Through the long-term local jobs it generates and the local initiatives it supports, Vicat Group actively contributes to the vitality of the countries where it works.

On top of its regulatory obligations regarding corporate social responsibility, Vicat Group undertakes voluntary actions through a philanthropy and donations policy. It thus contributes to the development of countries by giving priority to actions related to health, education, inclusion, solidarity, the preservation of heritage and through its support for the economic, cultural and sporting fabric. Close attention is paid to the position of women in all these areas. Its philanthropy policy is also built around its two corporate foundations (Louis Vicat Foundation in France and Sococim Foundation in Senegal).

1.8.2. Hiring locally and building team loyalty in close proximity to markets

At December 31, 2023, the Group had 9,993 employees, an increase of +0.8% (+81 employees). This increase is primarily due to the business performance and the jobs created as a result of the ecological and solidarity transition (Climate strategy, reducing fossil fuel usage, decarbonization, safeguarding biodiversity, conserving resources and the circular economy, in particular) and the digital transition. The workforces in Turkey and the United States rose for these reasons.

A significant number of staff joining or leaving the Group held posts linked to the seasonal nature of the Group's business activities, especially in France and Turkey. In addition, Turkey, Brazil and Kazakhstan recorded a typically high turnover.

The tightness of the jobs market in the countries in which the Group operates is part of the reason for the turn-over, although at this stage it isn't concerning. The number of new hires is 5% higher than the number of departures, reflecting the Group's attractiveness in its various countries.

In 2023, the Group did not undertake any redundancy plan or any retirement plan involving age (early retirement, etc.).

Headcount as at December 31, 2023 by geographical area

	2023	2022	Difference	
France	3,272	3,321	(49)	(1.5%)
Europe (excluding France)	743	742	+1%	(0.1%)
Americas	2,326	2,254	+72%	+3.2%
Asia	1,169	1,230	(61)	-5.0%
Africa	971	963	+8	+0.8%
Mediterranean	1,512	1,402	+110	+7.8%
TOTAL	9,993	9,912	+81%	+0.8%

The Group's average workforce rose by +1.6% between 2022 and 2023. The explanations by geographical area are those given for the general changes in the workforce above.

Breakdown of workforce by business line and socio-professional category at December 31, 2023

	2023		2022		Change
France	3,279	33.1%	3,282	33.7%	(0.1%)
Europe (excluding France)	710	7.2%	711	7.3%	(0.1%)
Americas	2,293	23.2%	2,216	22.7%	+3.5%
Asia	1,202	12.1%	1,227	12.6%	-2.0%
Africa	971	9.8%	957	9.8%	+1.5%
Mediterranean	1,448	14.6%	1,352	13.9%	+7.1%
TOTAL	9,903	100.0%	9,745	100.0%	+1.6%

The breakdown in the workforce by business line reflects the changes in the Group's operations and was almost unchanged between 2022 and 2023. In 2023, the headcount of the Cement business stood out even more (45.6% in 2023, 45.3% in 2022 and 44.8% in 2021). The Concrete & Aggregates business stood at 39.1% in 2023 (39.6% in 2022 and 39.8% in 2021); and the Other Products & Services business stood at 15.3% in 2023 (15.1% in 2022 and 15.5% in 2021). In 2023, the proportion of Blue-collar staff rose slightly to 54.1% of the total workforce (52.2% in 2022, 50.1% in 2021). The proportion of White-collar staff stood at 29.5% (29.9% in 2022, 31.3% in 2021). Management accounted for 16.4% in 2023 (17.8% in 2022, 18.6% in 2021).

1.8.3. Proliferation of solidarity initiatives for equitable and sustainable development

Building on its culture and its values, Vicat Group strives to help the development of the countries by sharing the value created over the long-term. Its actions can take the form of financial assistance, in-kind donations (construction materials), gifts of working time and skills sharing, which encourages employee involvement. Its strong regional roots, particularly in rural areas, ensure that these initiatives are successful and sustainable. Initiated by the various country managers, these actions are also widely supported and implemented by all employees who give their time. The goal allows for a better integration and better understanding of the positive role of the Group's activities.

In 2023, these donations amounted to close to €5 million.

1.8.3.1. Supporting the education and raising the awareness of young people regarding the ecological and solidarity transition

Vicat Group's actions target all levels of education, from primary school to university, and support local government policies. These initiatives help create or reaffirm the attractiveness of the Group's business lines and actively help with the onboarding of young people and their understanding of the challenges relating to the ecological and solidarity transition. The Group systematically develops its actions with a view to inclusion and with a particular focus on the education of girls.

For example, since 2019, it has had a partnership with the NGO Human Rights Watch to promote access to education for girls in Africa. One of this NGO's initiatives now allows pregnant young women and teenage mothers to stay in school; the decision taken by the Tanzanian government is thus now spreading to other African countries like Sierra Leone.

Improving physical teaching conditions

In Mali, the Ciment et Matériaux du Mali subsidiary supplies 200 school kits to the CIRA Charity NGO for 200 children from poor backgrounds at the Sirakao public school.

In Senegal, Sococim launched a program to supply materials to eliminate temporary structures in the department's school institutions, after having funded the restoration of the Gouye Mouride primary school in Rufisque and the Kipp primary school in Bargny. This subsidiary offers school donations to over 4,000 students. Gécamines, a Sococim subsidiary, provides financial support for staff for the return to school. In the Ngoundiane commune, it provides financial support for the secondary school and its teachers, school supplies for its residents and aggregates for its university. Gécamines also donates aggregates each year to the areas around its quarries in Bandia and Diack to improve school access roads.

In India, Vicat Group has created three kindergartens in the state of Andhra Pradesh, just a few kilometers from its Kadapa plant. As a result, over 600 young children received the supervision and meal service that they needed. The Group continued to supply the digital tools needed to hold online classes within the Louis Vicat DAV Vidya Mandir school groups (around 450 students at the Bharathi cement plant and around 600 students at the Kalburgi cement plant), which were built at the initiative of the Chief Executive Officer for Vicat Group's operations in India, Anoop Kumar Saxena. These school groups are recognized as being top notch by the Indian state and have had 12 new digital classrooms since 2023. Also at the instigation of this Chief Executive Officer, material and financial support was provided to the Ambubai school for girls who are blind.

Partnerships with the education systems in each Group country

These partnerships are built around key areas of interest for the business lines, the ecological and solidarity transition, and the Group's values.

In Brazil, Ciplan is nurturing agreements with the following three universities to make it easier for students to find jobs: University of Brasilia (UnB), University Center of the Federal District (UDF) and Paulista University (UNIP).

In Kazakhstan, in 2023 the Jambyl Cement Company subsidiary continued its partnerships with South Kazakhstan State University and Taraz Polytechnic High College for training in industrial occupations (chemists, welders, plumbers, mechanics).

In Egypt, Sinai Cement Company developed a one-year internship and development program whereby student engineers at El-Harish Institute get a work placement.

Gecamines has entered into a partnership with the Institut Supérieur du Management in Dakar. This led to the hiring of a HSE coordinator on a permanent contract at the end of her internship. Sococim signed an agreement with CSFP-BTP (Centre Sectoriel de Formation Professionnelle aux Métiers du Bâtiment et des Travaux Publics) around: (i) periodic information and awareness sessions about its products for the center's students; (ii) support for CSFP-BTP with learning and job searching (work placements and jobs) for students and graduates; (iii) welcoming the center's students on educational visits according to a timetable; (iv) supporting CSFP-BTP in terms of providing the educational materials and equipment its needs day-to-day; (v) making an annual donation of 50 metric tons of cement for the masonry work undertaken by the CSFP-BTP's students.

In France, the Group also continues to work alongside secondary schools and third-level institutions (universities, architectural, engineering and business schools), to pass on knowledge of its businesses and to develop joint research and innovation projects. As part of this, Vicat and the Gustave Eiffel University are working on creating a so-called transition Life Cycle Analysis to assess the environmental and socio-economic impacts of innovations like the carbonation of recycled concrete aggregates and methanol production. Vicat regularly welcomes doctoral students under the CIFRE (Industrial agreements for training through research) program signed with ANRT (the French National Technological Research Agency). Vicat's experts are also involved in the curriculum for future engineers, for example at ENTPE (National School of State Public Works) or civil engineering technicians, to teach them the science of cementitious materials. The Group's partnerships with ESTP Paris and the École La Mache, and its involvement in two chairs (Vulnerability Chair at the Catholic University of Lyon (UCLY) and the Chair for Economic Peace, Mindfulness and Wellbeing at Work at the Grenoble Management School) also illustrate the cross-field approach of partnerships that combine science and the humanities.

To give young people a taste for working in the materials industry and raise their awareness around the ecological and solidarity transition

In France, the Group is closely involved in the government's "1 jeune, 1 solution" initiative with support from the Louis Vicat Foundation. Each year, it participates actively in "Mon stage de troisième" with the Tous en stage association. The Group's teams promote careers in industry through their work in middle and high schools alongside the 100,000 entrepreneurs association. The Group's female talent is systematically involved to draw girls to industry. Specific actions are organized around this topic with the *Missions Locales* and *Sport dans la Ville*, for example for young people from disadvantaged city neighborhoods and areas designated for rural development. The Group took part in the 12th Industry Week on the theme of "with industry, shape your future".

The Group's companies organize regular site visits to showcase the business lines and the challenges and steps being taken to ensure the ecological and solidarity transition is a success. Thus in Switzerland, Vigier takes part in the annual "Futur en tous genres" day and welcomes young people who follow the principle of cross-participation and gain practical insight into professions and fields in which their gender has traditionally been underrepresented. It has also partnered with the "Lernort Kiesgrube" program, which is working to embed a respectful and sustainable approach to nature. It encourages in-depth and fun discussions on topics related to the environment and the economy using the Aggregates business as an example. Students are provided with learning material that is tailored to each learning age. The projects are recognized and supported by the Public Education and Culture Department in the canton of Bern.

Since 2021, the Group has partnered with the largest skills competition in the world, the WorldSkills Competition. This competition gives young professionals from around the world an opportunity to test themselves in a competition held on a single site. The WorldSkills Competition values skills, expertise and training, and involves young people to facilitate their employability and blossoming, in response to the challenges facing our society. Ensuring the respect of constraints relating to safety, deadlines and costs, the optimal use of equipment and materials from an environmental perspective, this competition embodies themes that the Group holds dear: young people, sharing, effort, engagement, excellence, inclusion and solidarity. In 2022, as a Skills Partner, the Group supplied the French regional qualifiers with construction materials for these trades: reinforced concrete construction; city planning and pipe networks; and masonry. The Group similarly supplied some of the materials required to host the 2023 French national finals, which took place in Lyon.

Mentorship and support for young people

Since 2021, like other leaders of major French groups, the Chairman and Chief Executive Officer has enlisted the French management teams to mentor a young person as part of the government's "1 jeune, 1 mentor" program. Vicat has worked with *Collectif Mentorat*, which won the "2023 Grande cause nationale" award. The goal is to have 1% of the workforce as mentors in 2023 and in 2022, with the assistance of the *Sport dans la ville*, *Institut télémaque* and *Article 1er* associations. This approach is also in line with the action plan of "Collectif d'entreprises pour une économie plus inclusive", which the Group joined two years ago.

With the support of the Louis Vicat Foundation, the SATM subsidiary formed a partnership with the "Ma chance, moi aussi" association, which is involved in providing academic support to children aged five to seven from disadvantaged neighborhoods. At the end of the day, the children have activities that alternate between study, fun, cultural and sports activities. Important subjects such as the value of community life, personal beliefs, ethical values, etc. are also touched on. Aside from prevention through academic support, "Ma chance, moi aussi" offers early childhood development activities on Wednesdays and half of the school holidays. Access to sport and other educational outings, allow children to experience social diversity and live together. "Ma chance, moi aussi" works to supplement the work of the public education system for marginalized families.

Provision of scholarships

The Group provides scholarships every year through some of its subsidiaries. Accordingly, in Turkey, every year the Konya Cimento subsidiary awards 25 scholarships to students who graduated with honors from Konya Anatolian High School so they can go to university. With the support of the Sococim Foundation scholarship, Ababacar Sadikh Sembene was able to join the Ecole polytechnique in France. Over 20 other students have benefited from this scheme. In Kazakhstan, the Jambyl Cement Company subsidiary gave scholarships to 25 students in 2023. In Inde, 280 students received scholarships from Group subsidiaries.

1.8.3.2. Making a difference in the health sphere

The Group takes steps to provide access to community care, in particular in the countries in which public infrastructure is not available or is limited: programs to combat malaria, clinics open to local communities, free access to certain care services, free transport by the site ambulance, financial contributions or gifts of medical equipment to local hospitals, telemedicine centers, etc. Every country has such initiatives. The Group participates annually in the campaign to raise awareness regarding breast cancer in women, October Rose (particularly in Brazil), as well as in information, prevention and awareness campaigns around certain illnesses like malaria, or around disability (autism, for example).

Providing emergency support

Standing side-by-side with its countries, the Group supports local populations and activities in the wake of natural disasters. The Indian subsidiaries provide food and basic necessities, as well as mechanical pumps to farmers during flooding.

In February 2023, Turkey was hit by two incredibly destructive earthquakes that affected 14 million Turks (close to 51,000 killed, 122 000 injured, property damage calculated at USD 150 billion). When the disaster struck, the teams at the Turkish subsidiaries, all of which were safely away from the epicenters, immediately responded. Overall, in addition to staff who went to the region to help and support, 15 container homes, 75 metric tons of food, equipment, warm clothing and financial support were all provided.

Medical consultations and infrastructure

In India, the Group worked to address the lack of quality medical infrastructure in its areas. It established the Electronic Primary Health Center in the village of Chatrasala (close to the cement plant at Kalburgi), which offers teleconsultations, with in particular an international-standard cardiology department. The second medical center is based in Nallalingayapalli (close to the Bharathi cement plant). Since 2015, rural patients have access to specialist doctors at the "Apollo" hospital in Hyderabad by means of video-conferencing. Overall, since it was established, the centers have provided close to 80,000 consultations for residents of neighboring villages. These two centers also have laboratories. In addition, Country management opened a dialysis center near the cement plant at Kalburgi in 2019. Management also developed three "Anganwadi", private rural childcare centers, which are clean and provide a psychosocial developmental setting for children from highly disadvantaged backgrounds.

In 2023, Sinai Cement Company created a mobile medical facility to offer in-person consultations in the Sinai around the cement plant.

Sococim offers free medical consultations (general practice, pediatrics, gynecology) for people living around the cement plant.

In Kazakhstan, the Jambyl Cement Company subsidiary has the same approach for those living in the rural areas around its cement plant.

Anti-cancer plans were put in place in various Group companies in France and abroad, covering prevention, screening, treatment and return to work of sufferers or of close family members.

Access to drinking water

The Group works to provide access to drinking water in developing countries. In India, close to 8,000 villagers have access to drinking water thanks to the contributions by Country management to the Nandi foundation. Such initiatives significantly reduce illness in children and adults in this population.

In Senegal, Sococim provides free water to the inhabitants of the Gouye Mouride district and the city of Rufcim, which are close to the cement plant. In Mali, Ciment et Matériaux du Mali provided a well to the residents of the village of Soninkegny.

Access to public toilets

The Group is mindful that access to public toilets in developing countries has a significant impact on human health and on the education of girls. In this respect, in India and Senegal, the subsidiaries have contributed to the construction of close to 1,000 public toilets. By being part of the Indian government program “*swachh bhartiya*” since 2015, the Indian subsidiaries have enabled 12 villages, including two with the label “open defecation free”, and over 4,000 villagers to have access to public toilets.

Waste management

Waste management is non-existent in the rural areas of developing countries. This absence creates sanitation and public health issues.

In India, the Country management arranged waste management for the villages neighboring the Group's cement plants. Efforts are made to raise the awareness of villagers. In line with the government's public toilets program “*swachh bhartiya*”, the local teams arranged for the collection and treatment of this waste. More broadly, the collection of all types of waste is organized in eight villages. As a result, in 2023, over 1,500 metric tons were recycled including 400 metric tons in the cement kilns of the Indian subsidiaries.

These efforts thus made it possible to eliminate fly-tipping along with the related pollution. In Senegal, the Gecamines subsidiary recovers used oil and tires together with local service providers that then recycle them. In Senegal, the Sococim Foundation has played an active role in the “*Rufisque Marche Propre*” program since end-2014, to improve living conditions in the center of Rufisque and to develop an integrated waste management system. Some of this waste is used in the kilns at Sococim.

Access to food for local communities

Two initiatives are run in parallel in India: provision of food for infants (615 children in 2023) in the ten villages surrounding the cement plants and for people suffering from AIDS (416 in 2023); and the raising of dairy cattle to provide sustainable nutrition locally. In Senegal, the Sococim Foundation began a program consisting of planting fruit trees in 2015. Since then, close to 12,000 fruit trees have been planted in the Department of Sandiara, benefitting 140 families both to feed them and for use in their business activities. During Ramadam, the Ciment et Matériaux du Mali subsidiary provides free foodstuffs to several hundred villagers living close to the industrial facility.

1.8.3.3. Supporting people with disabilities in the countries in which it operates

The Group's policy for supporting people with disabilities extends beyond its workforce.

For example, in 2023 the Mauricim subsidiary in Mauritania helped with the construction of the *Foyer de l'Enfance* (the only facility for children suffering from mental disabilities in Nouakchott).

In Kazakhstan, the Jambyl Cement Company subsidiary made a donation (close to €200,000 in 2021 and €200,000 in 2022) to help build a care center for children with disabilities (50 places) in Taraz.

In Turkey, the team in the local Finance Department supports the SOBE foundation, which educates people with autism, through bike donations.

In Senegal, as they have in previous years, Sococim and the Sococim Foundation continue to support Association pour la Protection des Enfants Déficients Mentaux to ensure these children receive a broad education and professional training that is tailored to their disability.

In Switzerland, Vigier Ciment has partnered with *La Pimpinière*. This foundation works to help people with disabilities in the Bernese Jura through the provision of gardening jobs.

In France, the Louis Vicat Foundation organized *Virades de l'espoir* at Bourgoin Jailleu, to raise awareness and collect money to fight cystic fibrosis. It also provides annual donations to *Charlotte au sucre* and the Boissel Foundation.

1.8.3.4. Making a difference in the cultural sphere

In its various countries, the Group renewed its support for culture. The Sococim Foundation reestablished its artist residences in Rufisque and funded various art exhibitions in Rufisque and Dakar. This foundation provides annual support for the training of 25 young people in Rufisque in script writing, directing, editing and graphic design in partnership with the Codou Samba Linguère Films association. Since this training started in 2013, over 500 young people have thus been trained, over 70% of whom currently have jobs (employed or self-employed). The Louis Vicat Foundation has provided financial support for the Berlioz Festival for the past number of years.

1.8.3.5. Making a difference in the sporting arena

The Group sponsors several sports clubs in the countries where it operates. Accordingly, given its local roots in the Lyon area and its particular focus on the development of women's sport, Vicat Group has solid, sustainable ties with the Olympique Lyonnais women's soccer team. A partnership between the women's team of F.C. Grenoble Rugby and Vicat has been in place since 2021, on top of the one that already existed with the men's team. In Senegal, Sococim sponsors the Rufisque women's volleyball team, which has a number of the national team players, alongside the Rufisque men's football team. The Group's support also involves providing equipment for the facilities. The Gecamines subsidiary thus provided aggregates free of charge for the Ngoudiane stadium.

1.8.3.6. Supporting the local economic fabric

Due to the nature of its industrial operations, Vicat Group creates numerous jobs both upstream and downstream of its production units. In the industrialized world, for every one direct job in a cement plant there are ten associated indirect jobs. This is particularly the case in France (data published by the Infociments website) where upstream suppliers and the whole ready-mixed concrete and precast concrete sector are linked to a cement plant operation in the Group's local network. Often more staff are employed on production sites in developing countries than in developed countries. It is less common to outsource the support functions (maintenance, for example) because of a lack of qualified industrial infrastructure for the cement industry. In Mali or Senegal, the cement manufacturing business generates five indirect jobs for every one direct job. In Kazakhstan and India, the ratio of direct jobs to indirect jobs related to the operation of cement plants is one to three.

In developing countries, the Group provides aggregates free of charge or helps fund road building in order to ease transportation. Accordingly, in India, some 15km of roads and 6km of drainage systems were built to open up the 18 villages around the subsidiaries' cement plants.

The Group is also involved in various local economic development initiatives. In 2023, in Senegal, the Sococim subsidiary renewed its partnership with *Agence Nationale de la Maison de l'Outil* for the training and placement of 127 young people from the Gouye Mouride district of Rufisque, where the cement plant is located. This built on the success of an initial partnership, which had benefitted 100 young people in 2022.

In Senegal, the ongoing construction of kiln 6 is funded by a syndicated loan from *Société Financière Internationale* (SFI), subject to a CSR approach and with a strong emphasis on dialog with stakeholders, employment and training. Sococim delivered point-by-point on SFI's CSR requirements for the local population. All the jobs created in the course of the construction are thus kept for the local population, a condition imposed on the subcontractor responsible for building the kiln. All the workers on the site live nearby in Rufisque or Barny. Some 100 direct jobs have been created and several dozen indirect jobs. Young people without qualifications were specifically targeted. Sococim's management very closely monitors the implementation of the commitments. The Sococim Foundation, recognized as a public interest foundation by the Decree of October 29, 2010, established by Sococim Industries, works to support the local Senegalese economy through initiatives built around entrepreneurship. The foundation provides specific support to female producer groups, working to combat poverty: some 50 projects have thus been backed, generating over 350 jobs in various sectors (agro-food processing, agriculture, retail, soap production, dying-sewing, production of household linen, production of personal hygiene items, musical production, waste management). Initiatives by the Sococim Foundation help to boost activity in the Rufisque area by supporting the development of local companies (often founded by women) that

rely on traditional skills in various areas such as the processing of locally-grown cereals, artisan dying and the sale of fabrics. The Sococim foundation was recognized at the 7th African Business and Social Responsibility Forum (September 2023), receiving the best foundation award for its work on growing entrepreneurship and empowerment amongst young people in Senegal.

In India, a free program to teach adult women to read is funded by its subsidiary Kalburgi in order to open doors to their employment or professional development. To support local agriculture, the Indian subsidiaries helped the farmers in the villages neighboring their cement plants by funding training and providing know-how to increase their income 150%, the output from their dairy production and their market access positioning.

Through the Chair of its SATM subsidiary, the Group chaired for example the Accreditation Committee of Alizé Savoy, a public/private mechanism comprising large companies, institutions, local authorities as well as government agencies. With job creation as its primary aim, Alizé has provided support to small and micro businesses in Savoy for some 20 years through the sharing of the expertise of the partner companies as well as through zero-rate loans. In 2023, the scorecard showed a further 11 jobs during the year with a total of 124 businesses supported in total and close to 600 jobs created.

A further example, in France, the Group works to preserve the heritage and develop green tourism (in particular through its involvement in the development of the Via Rhôna (in Isère).

1.8.3.7. Promoting citizen engagement, the nation-army bond and support for signing up to the reserves

In all the countries in which the Group operates, the teams take steps to promote citizen engagement.

Accordingly, in France, Vicat has for many years supported *La Maison des Enfants d'Izieu* with efforts around citizen education and combatting discrimination, and will build on its partnership by funding scheduled events in 2024 including the commemoration of the April 6, 1944 round-up that saw 44 children and 7 teachers being sent to the death camps.

Furthermore, following recognition by the Minister for the Interior of Vicat's contribution to civil security and its support for the departmental fire and rescue services, it was awarded the title of "employer – national fire service partner". This title recognized Vicat's civic mindedness and civic spirit in the way it manages its employees who are volunteer firefighters. The Group participates directly in the continuity and quality of local emergency response. Being a volunteer firefighter and having a job is possible as evidenced by the 38 employees who made this choice. The commitment by the volunteer firefighters show on a daily basis that courage and dedication remain contemporary values. Management encourages this throughout its activities.

Vicat also supports membership of the network of *Conseillers du Commerce Extérieur* (CCE) by its expatriates in the countries in which they are working. This approach is supported by the Chair of the CCE, Sophie SIDOS, who is also Chair of the Louis Vicat Foundation.

Lastly, Vicat has maintained ties over the years between the company and the armed forces. This relationship is particularly evident through the position held by the Chair of Louis Vicat Foundation within the Association pour le Développement des Œuvres Sociales de la Marine (Entraide Marine-Adosm). This charity ("*association loi de 1901 reconnue d'utilité publique*") supports the spouses, families of civil and military members of the Navy when they face serious difficulties, along with their families or orphaned children. Since 2015, in partnership with CABAM (*Cellule d'aide aux blessés et d'assistance aux familles de la Marine*), the association funded rehabilitation programs for injured navy personnel. This is done

in tandem with the Navy's military personnel department and the Minister for the Armed Forces. *Entraide Marine-Adosm* also aims to facilitate professional training for injured navy personnel and their spouses who have often been forced to give up on their career or indeed any form of employment, as a result of the need to move around or indeed that their partner is on deployment. Furthermore, Vicat provided additional support for the operational reserve policies in 2023 with the signing, in early 2024, of an agreement with the military authorities. With a view to facilitating the signing up and availability of reservists employed by Vicat, this arrangement will make it possible to value and spread the spirit of national defense throughout the Group. To this end, from January 2024 the company will be classed as a "national defense partner" as a "military reserve defense partner".

2. THE EU TAXONOMY

Results of the application of the EU Taxonomy regulation

The European Union Climate Strategy, which has set the target for carbon neutrality in 2050, implies a significant participation and contribution by companies. To achieve this, the European Commission published regulation (EU) 2020/852 to set a framework aimed at favoring sustainable investments, as well as a set of delegated acts to complement it. This classification system, known as the Taxonomy, is aimed at classifying an activity as sustainable or not. The Taxonomy presents a list of economic activities that contribute substantially to at least one of the six environmental objectives defined by the European Commission. Any activity corresponding to the definitions of this list is considered as eligible for this reference system.

To be considered as "aligned", the economic activities must:

1. meet the technical criteria for the substantial contribution of this activity (principle of "substantial contribution");
2. do no significant harm to the other objectives ("Do no significant harm" principle);
3. be exercised in respect of minimum safeguards as defined in Article 18 of Regulation (EU) 2020/852 (principle of "minimum social safeguards").

In 2023, Vicat Group therefore assessed the business activities that are referenced and governed by the EU Taxonomy to define the percentages of aligned revenue, CapEx and OpEx pertaining to these activities. The Group analyzed its activities in terms of alignment with one of the two objectives of the Taxonomy that have thus far been the subject of published delegated acts: "climate change mitigation" and "climate change adaptation", and in terms of eligibility for the other sustainability objectives of the Taxonomy.

Lastly, for the 2 climate objectives, under the Taxonomy, the eligibility and classification of activities depends on three levels of contribution to these two objectives:

1. carbon neutral compatible activities (activities with a carbon intensity that is already in line with the net zero target and classed as "aligned");
2. compatible activities on the path to carbon neutrality and for which there are currently no low-carbon alternatives (activities classified as "transitional");
3. activities that help reduce the emissions of other activities (activities classified as "enabling").

2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE

The EU Taxonomy

Aligned revenue

2023	Substantial contribution criteria									No significant harm criteria ("DNSH Criteria")							Share of revenue aligned with the Taxonomy (A.1) or eligible under the Taxonomy (A.2), year N-1	Enabling activity category	Transitional activity category
	Code	Revenue	Share of revenue, 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			
Business activities		(in thousands of euros)	%	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	H	T	
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
Cement manufacturing business	CCM 3.7	25,320	0.6%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes			T
Rail transport infrastructure business	CCM 6.14	41,317	1.0%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	H		T
Material recovery from non-hazardous waste business	CCM 5.9	20,645	0.5%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes			T
Revenue of environmentally sustainable activities (aligned with the Taxonomy) (A.1)		87,282	2.2%	100%						Yes	Yes	Yes	Yes	Yes	Yes	Yes			
o/w enabling		41,317	1.0%	100%						Yes	Yes	Yes	Yes	Yes	Yes	Yes	H		
o/w transitional		45,965	1.2%	100%						Yes	Yes	Yes	Yes	Yes	Yes	Yes			T
A.2. Eligible activities under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
Cement manufacturing business	CCM 3.7	2,006,400	51.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										50.3%
Collection and transport of non-hazardous and hazardous waste	CE 2.3	15,234	0.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Revenue of eligible activities under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)		2,021,634	51.3%	99%	0%	0%	0%	1%	0%										50.3%
A. REVENUE OF ACTIVITIES ELIGIBLE UNDER THE TAXONOMY (A.1 + A.2)		2,108,916	53.6%	99%	0%	0%	0%	1%	0%										52.2%
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY																			
Revenue of activities not eligible under the Taxonomy		1,828,283	46.4%																47.7%
TOTAL		3,937,199	100%																100.0%

Eligible revenue stood at 53.6% in 2023 (compared with 52.2% in 2022) and includes the Group's activities related to:

- grey cement manufactured from clinker and other alternative binders covered by the Taxonomy (lime, geotechnical binders) as associated with activity 3.7 "Cement manufacturing" (code NACE C23.51) defined by the manufacturing of clinker, cement and other binders under objective 1 - Climate change mitigation;
- recycling and recovery of certain waste associated with activity 5.9 "Recovery of materials from non-hazardous waste" and furthering objective 1 - Climate change mitigation;
- manufacture of components of rail transport infrastructure associated with activity 6.14 "Rail transport infrastructure" which also furthers objective 1 - Climate change mitigation.

The other non-eligible Group activities (46.4% in 2023) include concrete, aggregates and some parts of other Products & Services, which are not listed in the various documents making up the Taxonomy.

Note that the denominator is made up of consolidated revenue totaling €3,937 million (available in chapter 7.1 of this document, note 4). When this proportion of revenue is assessed against the substantial contribution technical criteria (deemed extremely ambitious for the Cement business), the proportion of aligned revenue was 2.2% in 2023, slightly up on 2022 (1.9%). It should be noted that the Group's intent is that the projects underway over the past

years to reduce its carbon footprint as per its Climate strategy (see Chapter 1 of the Statement of Extra-Financial Performance "Climate and reducing the carbon footprint of operations" of this Document) will result in a significant increase in the proportion of aligned revenue within its operations.

The gap between the level of alignment (2.2%) and level of eligibility (53.6%) is due to the highly ambitious technical criteria in the taxonomy regarding cement manufacturing (469 kg of CO₂ equivalent per metric ton of cement or alternative binder), which, in particular, combines a low clinker emission factor (722kg of CO₂ equivalent per metric ton of clinker used for grey cement) with an equally low clinker rate (65%). The latter is typically dependent on construction standards, which vary significantly from one country to another, and are in some instances impossible in certain countries (in the United States for example).

Lastly, as not all the activities are yet defined by the Taxonomy, the Group feels that some activities deemed not eligible for the purposes of the Taxonomy nevertheless contribute to the low-carbon strategy put in place. Thus, the concrete business (which is not defined in the Taxonomy) is also covered by the Group's low-carbon strategy as it has for a number of years been working on developing low-carbon products or concrete that by virtue of their intended use may further the objectives of climate change mitigation or adaptation.

Revenue summary table

Objectives of the Taxonomy	Share of revenue/total revenue	
	Aligned with the Taxonomy by objective	Eligible under the Taxonomy by objective
Climate change mitigation	2.2%	53.6%
Climate change adaptation	0%	0.0%
Water	0%	0.0%
Circular economy	0%	0.4%
Pollution	0%	0.0%
Biodiversity	0%	0.0%

2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE
The EU Taxonomy

Aligned CapEx

2023	Substantial contribution criteria									No significant harm criteria ("DNSH Criteria")								Share of CapEx aligned with the Taxonomy (A.1.) or eligible under the Taxonomy (A.2.), year N-1	Enabling activity category	Transitional activity category
	Code	CapEx	Share 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				
Business activities		(in thousands of euros)	%	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	H	T		
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY																				
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																				
Cement manufacturing business	CCM 3.7	92,587	24.7%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	16.0%		T	
Rail transport infrastructure business	CCM 6.14	1,929	0.5%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.0%	H		
CapEx of environmentally sustainable activities (aligned with the Taxonomy) (A.1)		94,516	25.2%	100%	0%	0%	0%	0%	0%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	16.0%			
o/w enabling		1,929	0.5%	100%						Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.0%	H		
o/w transitional		92,587	24.7%	100%						Yes	Yes	Yes	Yes	Yes	Yes	Yes	16.0%		T	
A.2. Eligible activities under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																				
Cement manufacturing business	CCM 3.7	170,177	45.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								52.8%			
Collection and transport of non-hazardous and hazardous waste	CE 2.3	502	0.1%	N/EL	N/EL	N/EL	N/EL	N/EL	EL											
CapEx of eligible activities under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)		170,679	45.5%	100%	0%	0%	0%	0%	0%								52.8%			
A. CAPEX OF ACTIVITIES ELIGIBLE UNDER THE TAXONOMY (A.1 + A.2)		265,195	70.6%	100%	0%	0%	0%	0%	0%								68.9%			
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY																				
CapEx of activities not eligible under the Taxonomy		110,228	29.4%														31.1%			
TOTAL		375,422	100%														100%			

Eligible CapEx in 2023 stood at €265 million, up on 2022 (€247 million). This includes the Group's investments on the activities presented in the paragraph "Methodological notes" (at the end of chapter 3 of this document). Note that the denominator is made up of total industrial investments recorded in 2023 (available in chapter 7.1 of this document in notes 10 and 18) and totaling €375 million (compared with €468 million in 2022). The proportion of aligned CapEx stood at 25% in 2023, up on 2022, with the Group's sustainability (and particularly climate) projects continuing to proceed in line with the Group's commitments over the past years.

The proportion of aligned CapEx mainly comprises investments on the Cement business for the proportion of cement production that is already aligned with the technical criteria, along with the investments resulting from a plan approved by Group Management designed to bring about alignment of future cement products by 2030. For example, this is the case of the new firing line in Senegal (Kiln 6), or indeed the activated clay production project (Argilor) in Xeuilley in France, which will both be commissioned in 2024. It should be noted that this aligned CapEx also includes the portion that by its nature helps reduce the carbon footprint of any activity.

The Group nevertheless feels that the percentage alignment of the CapEx does not fully reflect all the measures taken by the Group as part of its strategy to reduce greenhouse gas emissions. In fact, as indicated in the table in the earlier section entitled "Vicat Group's CO₂ emissions in 2022", the Group is undertaking a range of projects to reduce the carbon footprint of its operations, some but not all of which are aligned with the very ambitious criteria in the taxonomy, explaining the gap between alignment (25%) and eligibility (71%). This is true of the projects to reduce the carbon footprint of manufactured cement, as with the projects designed to reduce fossil fuel usage, reduce the proportion of clinker in cement or indeed to use renewable energy (see the Climate and reducing the carbon footprint of operations section of this Statement of Extra-Financial Performance), but which do not necessarily achieve the technical criteria of 469 kg of CO₂ per metric ton of cement defined by the Taxonomy.

Lastly, some CapEx (€110 million) is not eligible for the Taxonomy because the activities are not listed in the rules published to date by the European Directive, such as for example concrete or aggregates.

CapEx summary table:

Objectives of the Taxonomy	Share of CapEx/Total CapEx	
	Aligned with the Taxonomy by objective	Eligible under the Taxonomy by objective
Climate change mitigation	25.2%	45.3%
Climate change adaptation	0%	0%
Water	0%	0%
Circular economy	0%	0.1%
Pollution	0%	0%
Biodiversity	0%	0%

Aligned OpEx

2023	Substantial contribution criteria									No significant harm criteria									
Business activities	Code	OpEx	Share 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	Share of OpEx aligned with the Taxonomy (A.1.) or eligible under the Taxonomy (A.2.), year N-1	Enabling activity category	Transitional activity category
		<i>(in thousands of euros)</i>	%	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES; NO; N/EL	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	H	T
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																			
OpEx of environmentally sustainable activities (aligned with the Taxonomy) (A.1)																			
o/w enabling o/w transitional																			
A.2. Eligible activities under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy)																			
OpEx of eligible activities under the Taxonomy but not environmentally sustainable (not aligned with the Taxonomy) (A.2)																			
A. OPEX OF ACTIVITIES ELIGIBLE UNDER THE TAXONOMY (A.1 + A.2)																			
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY																			
OpEx of activities not eligible under the Taxonomy																			
TOTAL																			

As indicated above, 2.2% of revenue is aligned with the climate change mitigation objective. As a result, the aligned OpEx (as defined by the Taxonomy and presented in the paragraph "Methodological notes" in chapter 3.4 below) cannot be significantly different from

this percentage. As a result, the Group feels that the aligned OpEx are not of significant importance for it, allowing it to apply the permitted exemption in this respect.

3. STATEMENT OF EXTRA-FINANCIAL PERFORMANCE IN FIGURES

Environmental topics

Theme & Indicators	Scope	2023	2022	2021
MATERIAL ISSUES				
Provisions and guarantees in respect of environmental risks <i>(in millions of euros)</i>	Group	68.6%	64.4	61.2
Environment-related investments <i>(in millions of euros)</i>	Group	39.8	85.0	74.5
MANAGEMENT OF RESOURCES AND THE CIRCULAR ECONOMY				
Total consumption of raw materials <i>(millions of metric tons)</i>	Group	68.0	64.6	65.4
o/w share of consumed materials stemming from natural gross raw material extracted (%)	Group	93.4%	94.0%	94.5%
o/w share of consumed materials stemming from substitution materials (%)	Group	6.6%	6.0%	5.5%
Consumption of raw materials for clinker production <i>(millions of metric tons)</i>	Cement	36.5	33.6	34.1
o/w share of consumed materials stemming from natural gross raw material extracted (%)	Cement	94.5%	95.2%	95.8%
o/w share of consumed materials stemming from substitution materials (%)	Cement	5.5%	4.8%	4.2%
Consumption of raw materials for cement production <i>(millions of metric tons)</i>	Cement	6.2	5.9	5.8
o/w share of consumed materials stemming from natural gross raw material extracted (%)	Cement	72.4%	73.2%	76.2%
o/w share of consumed materials stemming from substitution materials (%)	Cement	27.6%	26.8%	23.8%
Clinker content in cement equivalent (%)	Cement	76.8%	77.5%	78.9%
Consumption of raw materials for aggregates production <i>(millions of metric tons)</i>	Aggregates	25.2	25.2	25.5
o/w share of consumed materials stemming from natural gross raw material extracted (%)	Aggregates	96.8%	97.3%	96.8%
o/w share of consumed materials stemming from substitution materials (%)	Aggregates	3.2%	2.7%	3.2%
WATER MANAGEMENT				
Total water withdrawal <i>(millions of m³)</i>	Group	18.2	18.9	18.0
Total water discharge <i>(millions of m³)</i>	Group	9.0	9.8	8.8
Total water consumption <i>(millions of m³)</i>	Group	9.2	9.2	9.2
Total water withdrawal <i>(millions of m³)</i>	Cement	10.3	9.9	9.9
Total water discharge <i>(millions of m³)</i>	Cement	5.9	5.6	5.4
Total water consumption <i>(millions of m³)</i>	Cement	4.4	4.3	4.5
Specific water consumption <i>(liters/metric ton of cement)</i>	Cement	160	163	166
Total water withdrawal <i>(millions of m³)</i>	Concrete & Aggregates	7.0	8.1	6.9
Total water discharge <i>(millions of m³)</i>	Concrete & Aggregates	2.3	3.3	2.4
Total water consumption <i>(millions of m³)</i>	Concrete & Aggregates	4.7	4.8	4.5
Specific water consumption <i>(liters/m³ of concrete)</i>	Concrete	225	207	181
Specific water consumption <i>(liters/metric ton of aggregates)</i>	Aggregates	117	129	115
Total water withdrawal <i>(millions of m³)</i>	Other Products and Services	0.8	0.9	1.1
Total water discharge <i>(millions of m³)</i>	Other Products and Services	0.7	0.9	1.0
Total water consumption <i>(millions of m³)</i>	Other Products and Services	0.1	0.0	0.1

2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE

Statement of Extra-Financial Performance in figures

Theme & Indicators	Scope	2023	2022	2021
CO₂ AND ENERGY				
Number of kilns - Clinker production (<i>units</i>)	Cement	24	24	24
CO₂ emissions				
CO ₂ emissions – SCOPE 1 – Gross emissions (<i>millions of metric tons of CO₂</i>)	Group	17.8%	17.3	18.0
CO ₂ emissions – SCOPE 2 (<i>millions of metric tons of CO₂</i>)	Group	0.9	0.8	0.7
CO ₂ emissions – SCOPE 3 (<i>millions of metric tons of CO₂</i>)	Group	3.9	4.1	4.2
o/w CO ₂ emissions - Purchase of goods and services (<i>millions of metric tons of CO₂</i>)	Group	1.5	1.7	1.8
o/w CO ₂ emissions – Upstream of energy (<i>millions of metric tons of CO₂</i>)	Group	1.0	1.0	1.0
o/w CO ₂ emissions – Transport upstream (<i>millions of metric tons of CO₂</i>)	Group	0.4	0.4	0.5
o/w CO ₂ emissions – Transport downstream (<i>millions of metric tons of CO₂</i>)	Group	0.9	1.0	1.0
CO ₂ emissions – SCOPE 1 (<i>millions of metric tons of CO₂</i>)	Cement	17.7	17.2	17.8%
o/w gross emissions of CO ₂ process (<i>millions of metric tons of CO₂</i>)	Cement	17.4	16.8	17.2
CO ₂ emissions – SCOPE 2 (<i>millions of metric tons of CO₂</i>)	Cement	0.9	0.8	0.7
Gross specific CO ₂ emissions (<i>kg/metric ton of clinker</i>)	Cement	822	828	835
Gross specific CO ₂ emissions (<i>kg/metric ton of cementitious</i>)	Cement	634	642	653
Net specific CO ₂ emissions (<i>kg/metric ton of cement equivalent</i>)	Cement	588	608	624
Net specific CO ₂ emissions (<i>kg/metric ton of cementitious</i>)	Cement	589	606	619
Net specific CO ₂ emissions (<i>kg/metric ton of cement equivalent</i>)	Cement Europe	501	530	544
Net specific CO ₂ emissions (<i>kg/metric ton of cementitious</i>)	Cement Europe	498	527	538
CO ₂ emissions – SCOPE 1 + SCOPE 2 (<i>millions of metric tons of CO₂</i>)	Concrete & Aggregates	0.11	0.10	0.16
CO ₂ emissions – SCOPE 1 + SCOPE 2 (<i>millions of metric tons of CO₂</i>)	Other Products and Services	0.02	0.01	0.02
Heat consumption (fuel)				
Total heat consumption (<i>millions of GJ</i>)	Cement	76.9	73.6	74.1
Specific heat consumption (<i>MJ/metric ton of clinker</i>)	Cement	3,593	3,581	3,561
Proportion of fossil fuels in energy mix (%)	Cement	68.0%	72.0%	73.9%
o/w share of coal and lignite (%)	Cement	39.1%	37.6%	46.4%
o/w share of coke (%)	Cement	22.8%	29.9%	24.1%
o/w share of oil and gas (%)	Cement	6.0%	4.5%	3.4%
Proportion of alternative fuels in energy mix (%)	Cement	32.0%	28.1%	26.2%
o/w share of biomass (%)	Cement	13.0%	11.9%	10.1%
o/w share of other waste (%)	Cement	19.0%	16.1%	16.1%
Proportion of alternative fuels in energy mix (%)	Cement Europe	72.7%	66.0%	62.9%
Electricity consumption				
Total electricity consumption (GWh)	Group	2,883	2,826	2,866
o/w renewable electricity (%)	Group	8.8%	8.5%	8.0%
breakdown - electricity that is certified from renewable sources (%)	Group	38.7%	41.2%	40.0%
breakdown - self-produced renewable electricity (%)	Group	61.3%	58.8%	60.0%
breakdown - solar (%)	Group	25.6%	26.9%	27.3%
breakdown - hydro (%)	Group	2.7%	2.2%	2.7%
breakdown - waste heat recovery (%)	Group	71.7%	70.8%	69.9%
Total electricity consumption (GWh)	Cement	2,737	2,678	2,709
Specific electricity consumption (<i>kWh/metric ton of cement</i>)	Cement	100	101	99
Total electricity consumption (GWh)	Concrete & Aggregates	108	111	110
Specific electricity consumption (<i>kWh/m³ of concrete</i>)	Concrete	3.2	3.3	3.2
Total electricity consumption (<i>kWh/metric ton of aggregates</i>)	Aggregates	3.4	3.5	3.3
Total electricity consumption (GWh)	Other Products and Services	38	38	47

2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE

Statement of Extra-Financial Performance in figures

Theme & Indicators	Scope	2023	2022	2021
OTHER EMISSIONS				
Absolute dust emissions <i>(in metric tons/year)</i>	Cement	1,515	1,261	1,320
Specific dust emissions <i>(in g/metric ton of Clinker)</i>	Cement	71	62	64
Absolute SO ₂ emissions <i>(in metric tons/year)</i>	Cement	3,594	4,118	4,608
Specific SO ₂ emissions <i>(in grams/metric ton of clinker)</i>	Cement	169	202	222
Absolute NO _x emissions <i>(in metric tons/year)</i>	Cement	19,957	23,568	25,689
Specific NO _x emissions <i>(in grams/metric ton of clinker)</i>	Cement	940	1,156	1,240
PRESERVING BIODIVERSITY				
Share of quarries with a rehabilitation plan (%)	Cement/ Aggregates	73%	74%	81%
Share of quarries with a biodiversity management plan or taking positive steps to promote biodiversity (%)	Cement/ Aggregates	61%	60%	
Surface area rehabilitated during the year (m ²)	Cement/ Aggregates	673,573	468,668	575,233
No. of trees planted at the sites over the year (units)	Cement/ Aggregates	28,400	20,745	25,920
No. of visitor groups welcomed at the sites over the year (units)	Cement/ Aggregates	179	174	105

HR challenges

Topic	Indicator	Scope	2023	2022
Employment	Workforce at December 31	Group	9,993	9,912
		Group	9,903	9,745
		France	3,279	3,282
		Europe (excluding France)	710	711
	Average workforce by geographical area	Americas	2,293	2,216
		Asia	1,202	1,227
		Africa and the Mediterranean	2,419	2,309
		Cement	4,570	4,454
	Average number of employees by business	Concrete & Aggregates	4,008	3,991
		Other products and services	1,325	1,300
Change in workforce by type of movement	Natural attrition	Group	751	660
	Redundancies	Group	889	867
	Changes in consolidation scope	Group	0	35
	Recruitment	Group	1,721	1,889
Change in personnel costs as at December 31	Salaries and wages <i>(in thousands of euros)</i>	Group	429,599	396,927
	Social security contributions <i>(in thousands of euros)</i>	Group	131,618	125,794
	Employee profit sharing <i>(in thousands of euros)</i>	French companies	7,785	5,913
	Personnel costs <i>(in thousands of euros)</i>	Group	569,002	528,635
Health and safety	Number of lost-time occupational accidents	Group	84	96
	Number of fatal accidents in the workplace	Group	1	1
	Frequency rate	Group	4.18	4.81
	Severity rate	Group	0.25	0.22
Training	Total number of training hours	Group	283,906	209,940
	Number of employees having attended at least one training course (during the year)	Group	14,209	12,737
Diversity and equal treatment	Female employees as a percentage of the workforce	Group	12.1%	11.8%
	Female employees as a percentage of the workforce	France	19.9%	19.5%
	Employees with disabilities	France	2.5%	2.6%

4. NOTES ON METHODOLOGY

4.1. Methodology and scope of the Statement of Extra-Financial Performance

This document is prepared in accordance with the provisions of article L. 225-102-1 and R. 225-105 of the French Commercial Code. Its purpose is to describe the business model, the main challenges connected to Vicat Group's activities, the policies and procedures implemented and the results, including a presentation of the key performance indicators, for the financial year ended December 31, 2023.

The data shown in the Statement of Extra-Financial Performance have been gathered and consolidated on the basis of a common reference framework for all Vicat Group entities, entitled "Reporting Protocol for Social, Environmental and Societal Information" in its version V10. Each year, Vicat Group's CSR Coordination unit, in association with the General Management, submits the reference framework to the managers responsible for each indicator for evaluation. In 2023, independently of its updating to reflect regulatory developments regarding extra-financial reporting, a number of relatively minor changes were made to the collection rules on the collection media specific to the following themes: "Business ethics and Compliance" and "Responsible purchasing". Vicat Group reserves the right to update them to reflect the actual level of maturity of each country in which it operates.

The reporting process used to compile the Statement of Extra-Financial Performance covers the full scope of consolidation, i.e. Vicat SA together with its subsidiaries as defined in article L. 233-1 and the companies it controls within the meaning of article L. 233-3 of the French Commercial Code.

The data collected cover the period from January 1 through December 31.

In principle, extra-financial data is consolidated from the date of acquisition of a site or sites until their date of disposal. Some may not be, provided that this absence is warranted by the data's unavailability or lack of relevance for the period in question with regard to the business activities pursued.

The environmental data are collected by business and country and are input into the Group consolidation system ("SiRoCCO2 project"). Across all activities taken together, the key performance indicators are most commonly the subject of a specific file regarding their definition and their calculation methodology. For the preparation of its reporting protocol, Vicat Group primarily relies on the sector guides drawn up by the Global Cement and Concrete Association (GCCA). The calculation of Scope 3 emissions is covered by a specific note on methodology. For the purposes of the presentation of the quantitative indicators in the Statement of Extra-Financial Performance, and when rounding is relevant, it was decided to use the rounding that best represented the measured performance. As a result, it is possible that the sum of the indicators will not always match the sum of the rounded numbers.

The HR data (encompassing health and safety, training, workforce, work organization) is collected by business and by country and input into the Group's consolidation system ("SURF project").

Data on health and safety are collected by the operating entities and consolidated by the Group's Safety Department, which reports to the Human Resources Department. As with the environmental data, HR data will henceforth be processed directly via the Group's consolidation tool. Among the key performance indicators monitored by the Group are, in particular, the frequency rate and the severity rate. The first measures the frequency of work-related lost-time accidents in relation to the working hours of the entire workforce. It is calculated as follows: (number of occupational lost-time accidents x 1,000,000)/number of hours worked. The severity rate allows the Group to evaluate the severity of work accidents based on the numbers of days lost as compared with hours worked. It is calculated as follows: (number of days lost x 1,000)/number of hours worked.

The number of hours worked is calculated as follows: total contractual hours worked plus overtime, minus justified absences by employees, aggregate hours to December 31 of the financial year in question.

The employment data are collected by legal entity then consolidated by the Human Resources Department on the basis of a form drafted with reference to internal guidelines that meet the specific requirements of companies' CSR transparency obligations.

Since the 2022 consolidated financial statements, it has been decided to change the consolidation dates of certain HR indicators. Length of service, average age of employees, full time and part time, shift working, the number of employees with disabilities will be determined at September 30 during the financial year.

The indicators presented with respect to the responsible purchasing policy and process are drawn either from the local ERP (*Enterprise Resource Planning*) or the data reported by the contributing countries primarily via local buyers responsible for listing suppliers, collecting signed codes of conduct from suppliers, adding CSR clauses to contracts, monitoring the proper payment of their suppliers.

Grant Thornton, an independent third-party firm accredited by COFRAC and which has been appointed to verify data provided by the Group, carries out a review of Vicat Group's guidelines and reporting procedures as part of its mission. In 2023, the verification work was done on site (in Switzerland and France) and remotely (in Brazil).

4.2. Methodology for identifying and processing significant extra-financial risks

Extra-financial risk management is incorporated into overall risk management. All material business and product-related extra-financial risks to which Vicat Group could be exposed throughout its value chain are already taken into consideration in the risk map compiled by the Finance Department and the Compliance, Safety and Internal Audit Department. These risks are presented in chapter 2 of the Universal Registration Document entitled "Risk factors". Risks which are significant to the Company and important for the success of Vicat Group's activities are discussed in this Statement of Extra-Financial Performance. The Legal Department, the Finance Department and the CSR Coordination unit, take part in reviewing this risk map. The relevance of the extra-financial risks has been identified and shared with operational managers in the countries in which Vicat Group operates. It should be noted that extra-financial risks may be ranked differently in one or other Group country. The relevance of its risks was assessed by the Group's General Management which approved the risk map.

The policy of preventing and managing these risks is an integral part of the Group's long-term industrial policy. The application of this policy by its operational units and at all levels of its organization means that the Group can support the energy transition process and the development of a low-carbon economy necessary to combat the

effects of climate change⁽¹⁾ (transition risks and physical risks) – to help preserve natural resources which are becoming more scarce as part of a circular economy approach – to guarantee the personal integrity and social and societal commitment of all its entities to inclusivity – to help protect threatened ecosystems and biodiversity and – to strengthen its regional roots as a result of ethical and responsible production, improving the socio-economic vigor of the countries where it operates.

Vicat Group incorporates climate change risks into its ongoing analysis and management of its operational risks. It differentiates between physical risks and transition risks, the latter being some of the most critical for it.

Physical risks relate to the direct and tangible damage caused by acute and chronic climate hazards on the Group's operations; the frequency and intensity of storms, tornadoes, floods and droughts are trending up.

Transition risks, for their part, relate to the financial consequences for Vicat Group of an economic transformation to a low-carbon world involving regulatory, economic and technological changes, around which there is currently uncertainty.

4.3. Methodology used for the implementation of the EU Taxonomy Regulation

The indicators presented in the EU Taxonomy note cover the period from January 1 to December 31, 2023 and encompass all of Vicat Group's activities.

This analysis covers all fully consolidated companies. Disposals and acquisitions impacting the scope of consolidation during the financial year are factored into this analysis from consolidation or deconsolidation.

4.3.1. Analysis of eligibility criteria

Calculation of revenue

To determine the Taxonomy eligible revenue, Vicat Group did an analysis of all its activities and compared them with the activities referenced in the EU regulation, having recourse in particular to the Taxonomy Compass put online by the EU, which in particular allows companies to be guided by specific NACE codes. The denominator follows the accounting definition, making it possible to reconcile it with the financial statements.

Within the eligible activities, the production of gray cement, the recovery of certain waste and rail transport infrastructure seem to be activities that are specifically eligible for the climate change mitigation objective.

The Group thus, on the basis of its consolidated revenue (which can be found in chapter 7.1 of this document, note 4), determined the proportion of revenue from these eligible activities, numbers that are readily available in the Group's accounting and reporting systems. It should be noted that, starting from the total consolidated revenue, the revenue of eligible activities is also consolidated, after taking account of intra-group eliminations. This revenue excludes miscellaneous income that cannot be tied to cement sales (for example, administrative services).

Calculation of CapEx

To determine the Taxonomy eligible CapEx, the Group listed all industrial investments involving the previously identified eligible activities.

Total industrial investments include acquisitions of property, plant and equipment and intangible assets, investment property, use rights under IFRS 16, and exclude depreciation, amortization and impairment, goodwill as well as financial investments.

The Group, starting from the total industrial investments recognized in 2023 (available in chapter 7.1 of this document, note 10), determines the proportion of investments pertaining to eligible activities. This figure is directly available in the Group's reporting tools.

(1) Climate change is a complex phenomenon encompassing deep and irreversible changes to the environment with global implications for human activities. This phenomenon is connected with the higher concentration of greenhouse gas in the atmosphere such as CO₂. A large proportion of global greenhouse gas emissions stems from the wholesale use of fossil fuels to produce the energy needed to manufacture materials and products like cement, iron, steel, plastics, textiles etc.

Calculation of OpEx

To determine Taxonomy eligible OpEx, the Group initially listed the types of expenses covered by the regulation, namely all direct expenses associated with the Group's activities including R&D, short-term leases, servicing, as well as all other expenses connected with the day-to-day maintenance of the assets. These expenses are identified via the Group chart of accounts in the Group's internal reporting tools.

The Group then determined the proportion of previously identified OpEx pertaining to the eligible activities. This figure is also available in the Group's reporting tools where the expenses are clearly allocated by business segment. The Group made use of the permitted exemption when it calculated that the amount of aligned OpEx was immaterial.

Lastly, the methodology applied by the Group to sketch out the Taxonomy indicators will be revised as there are changes to the activities listed and the technical screening criteria and to reflect the various milestones for the coming into force of the regulation.

For the 3 ratios (revenue, CapEx, OpEx), double-counting risks were avoided because it was possible to allocate each eligible activity to a single sustainability objective, the criteria for allocation to the objective being clear for the Group's activities.

4.3.2. Analysis of alignment criteria

Analysis of substantial contribution technical criteria

With respect to the climate change mitigation objective, the Group makes sure its Cement business makes a substantial contribution having regard to the technical criteria, namely the cement manufactured with CO₂ emissions (Scope 1) under 469 kg equivalent per metric ton of cement produced. The analysis of this technical criterion is carried out at the level of each plant having regard to the various types of cement produced during the financial year and their composition, from which their CO₂ emissions per metric ton of cement produced can be calculated. All the necessary items for this calculation can be found in the Group's reporting tools. The Group's Scope 1 emissions are moreover audited by a third party.

With regard to the waste recovery business and the rail infrastructure one, the Group ensures that the substantial contribution criteria defined for each of these activities are respected in the sites in question.

This approach to the substantial contribution is also applied for aligned CapEx for the financial year. They are deemed to substantially contribute to the climate change mitigation objective once they:

- relate to a production site manufacturing cement emitting less than 469 kg of CO₂ equivalent per metric ton produced;
- are drawn from the "CapEx plan" for which the Group has the evidence showing that they will help the plant to which they relate achieve the aforementioned technical criteria by 2030;

- comprise individual measures enabling an activity (listed in the delegated act) to reduce greenhouse gas emissions.

4.3.3. Analysis of significant harm to other objectives

For the activities, the eligible CapEx and OpEx aligned with the climate change mitigation objective, the Group has checked with each relevant production site to ensure that they do not harm the Taxonomy's five other sustainability objectives ("Do No Significant Harm"). The Group thus surveyed all relevant sites supplemented by interviews with the various site managers. Even if environmental risk management is part of Vicat Group's top-priority objectives, the implementation of the management policy for these risks also reflects local factors. The approach taken and the resulting analysis notably allowed the Group to verify that these sites are not harming the objectives of preserving biodiversity and fresh water resources as well as climate change mitigation objective through local impact studies. The Group also satisfied itself that polluting emissions properly comply with the criteria drawn up with respect to pollution prevention and control. Compliance with these environmental issues is also discussed in the "Efficient resource management and management of environmental impact of operations" section and the "Preservation of biodiversity and ecosystems" section of this Statement of Extra-Financial Performance. It should be noted that for certain non-European jurisdictions, there were some difficulties transposing EU regulations and finding a local law equivalent.

4.3.4. Analysis of minimum social safeguards

The Group ensures that its aligned eligible activities respect the principle of minimum social safeguards as per article 18 of EU Regulation 2020/852. The procedures and codes of conduct rolled out in all subsidiaries reaffirm the Group's goal of maintaining the highest existing standards and to contribute to respecting the four fundamental themes within these minimum social safeguards:

- respect human rights (including labor and consumer rights);
- combatting corruption;
- complying with tax rules;
- ethical business practices.

These issues are discussed in the "Human Resources, Ethical business practices" section and the "Supply chain management and responsible purchasing" section of the Statement of Extra-Financial Performance. Lastly, the Group also satisfied itself that no judgment had been handed down during the financial year with respect to any of these themes in order to guard against any violation of the minimum social safeguards.

5. REPORT BY THE INDEPENDENT THIRD-PARTY ORGANISATION ON THE CONSOLIDATED NON-FINANCIAL STATEMENT INCLUDED IN THE GROUP MANAGEMENT REPORT

For the year ended December 31, 2023

To the shareholders,

In our capacity as Statutory Auditors registered on the list provided for by Article L.822-1 of the French Commercial Code, and designated as an Independent Third-Party Body of Vicat, accredited by COFRAC (Cofrac Inspection accreditation no. 3-1080, scope available on the website www.cofrac.fr), we conducted our work in order to provide a limited assurance on the historical information (observed or extrapolated) of the extra-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023 (hereinafter the "Information" and the "Statement" respectively), presented in the management report in accordance with the provisions of Articles L. 225-105-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and on information we obtained, nothing has come to our attention that causes us to believe that the non-financial performance statement is not in compliance with the applicable regulatory requirements and that the information, taken as a whole, is presented fairly in accordance with the Guidelines.

Preparation of the non-financial statement

The absence of a generally accepted and commonly used framework or established practice on which to base the evaluation and measurement of Information allows for the use of different, but acceptable, measurement techniques that may affect comparability across entities and over time.

Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement (or available on the website or upon request from the entity).

Limitations inherent in the preparation of Information

As indicated in the Declaration, the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The entity's responsibility

The Board of Directors is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- preparing the Statement in accordance with the entity's reporting framework referred to above;
- implementing the internal control that it deems necessary for the preparation of information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the Company's procedures (hereinafter the "Guidelines"), the significant elements of which are set out in the Statement.

Responsibility of the independent third-party body

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions, relating to the main risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not authorized to be involved in the preparation of this Information, as this could compromise our independence.

It is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the Vigilance plan and the fight against corruption and tax evasion);
- the truthfulness of the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional doctrine

Our work described below was performed in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code and the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes* (CNCC) relating to this type of engagement, in particular the technical notice issued by the CNCC, *Intervention du Commissaires aux Comptes - Intervention de l'OTI - Déclaration de performance extra-financière*, with our audit program used for the mission, and with the International Standard on the Evaluation of Financial Information (ISAE) No. 3000 (Revised).

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the Code of Ethics of the Statutory Auditors. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with applicable laws and regulations, ethical rules and professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work was carried out by a team of four people between October 2023 and February 2024, for a duration of approximately five weeks.

We called upon our specialists in sustainable development and social responsibility to assist us in our work. We conducted about 10 interviews with the people responsible for the preparation of the Declaration, representing among Executive Management, Human Resources, Health & Safety, Environment and Purchasing departments.

Nature and scope of work

We planned and performed our work considering the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a moderate level of assurance. In this respect:

- we analyzed the activities of all the companies included in the scope of consolidation and the main social and environmental risks associated with these activities;
- we assessed the appropriateness of the Guidelines in terms of its relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices in the sector;

- we verified that the Statement presents the information required by II of Article R. 225-105 when relevant to the principal risks and that the Statement includes, where applicable, an explanation of the reasons for the absence of the information required by the second paragraph of III of Article L. 225-102-1;
- we verified that the Statement presents the business model and principal risks of all entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services, as well as policies, actions and results, including key performance indicators;
- we consulted documentary sources and conducted interviews to :
 - assess the process for selecting and validating the main risks and the consistency of the results, including the key performance indicators selected, with the main risks and policies presented;
 - corroborate⁽¹⁾ the qualitative information (actions and results) that we considered most important;
- we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16 ;
- we analyzed the internal control and risk management procedures implemented by the entity and have assessed the collection process aimed at ensuring the completeness and fairness of the information;
- for the key performance indicators and other quantitative results that we considered most important⁽²⁾, we performed:
 - analytical procedures to verify the correct consolidation of the data collected and the consistency of changes in the data;
 - detailed tests on a test basis, consisting of verifying the correct application of definitions and procedures and reconciling the data with supporting documents. This work was carried out on a selection of contributing entities⁽³⁾ and covered between 20% and 65% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement with our knowledge of all the entities included in the scope of consolidation.

We believe that the work we performed in the exercise of our professional judgment enables us to provide a limited level of assurance; a higher level of assurance would have required more extensive audit work.

Neuilly-sur-Seine, le 12th February 2024

The independent third-party organisation

Grant Thornton

French member of Grant Thornton International

Françoise Méchin
Partner, Finance

Bertille Crichton
Partner, Sustainability

(1) *Qualitative information*: "Climate change - Decarbonization of activities"; "Rational management of resources and control of the impact of activities on the environment"; "Preservation of biodiversity and ecosystems"; "Human resources"; "Ethical business conduct and corporate culture"; "Supply chain management and responsible purchasing".

(2) **Quantitative information**:

Social data: number of employees and breakdown by gender, age and geographical area; percentage of women in workforce; new hires and departures; absenteeism rate; number of hours of training; gender equality index (France); number of lost-time accidents among Group employees; number of fatal occupational accidents among Group employees; number of days lost for Group employees; frequency rate; severity rate.

Environmental data: change in rate of fuel substitution (Cement business); change in rate of material substitution in the manufacture of clinker, cement and aggregates (Group scope); table of renewable energy mix; direct and indirect CO₂ emissions (Scope 1 & 2); Scope 1 CO₂ emissions excluding on-site power generation and finished product transport (Group cement scope); Scope 3 CO₂ emissions; change in emissions of dust, SO_x, NO_x; water consumption by activity.

(3) Vicat France (environmental data (Cement and Aggregates) + Human Resources and Health & Safety data (France)); Vicat Suisse (environmental data (Cement) + Human Resources and Health & Safety data (Switzerland)); Vicat Brésil (environmental data (Cement)).

6. REPORT ON THE COMPANY'S POLICY ON PROFESSIONAL AND WAGE EQUALITY (ARTICLE 3.6-225-37-1-1 OF THE FRENCH COMMERCIAL CODE)

As in previous years, Vicat implemented a proactive policy in 2023 in terms of professional equality, equal pay and gender diversity as part of its CSR/ESG approach, in line with the United Nations Sustainable Development Goals.

Driven by its values and its culture, Vicat has always recognized the importance of gender balance. Gender equality remains one of the basic elements of its inclusive human resources policy. Action plans ensure discrimination-free access to employment and training, equality of compensation and promotion for all female talent, regardless of their socio-professional category. These plans are supported by the Louis Vicat Foundation, with the Chair's steadfast commitment to gender equality.

Developing and promoting female talent in each socio-professional category (SPC)

A coaching and mentoring process for developing and promoting female talent of all ages has been in place for nearly 15 years. This action continues with high-level external consultants (an example being Anne Cullerre, Rear-Admiral and currently the woman who has held the highest military rank, who supports a number of female and male employees in the France and Corporate Departments).

The Company is a member of several networks that promote professional and pay equality, including Entreprises Réseau Egalité, a network supported by the Minister Delegate to the Prime Minister, in charge of gender equality and the fight against discrimination. The «Vicat by Elles» internal network is a source of ideas for identifying and removing obstacles to women's career paths, uncovering prejudices and biases, and boosting the attractiveness and promotion of female talent.

As an example of actions carried out for all SPCs, the skills-development plan is reviewed before final validation to ensure that female staff receive training leading to qualifications to develop their skills and employability and to attract them to industrial trades whenever possible.

Nearly 41% of the corporate management team surrounding the Chairman and Chief Executive Officer is made up of women.

Since 2017, the Company has had one of the youngest female directors of any French listed company with Éléonore Sidos (26 years of age in 2023). With this appointment to its Board of Directors, the General Meeting has set an example for young female talent to fast-track towards gaining intensive professional experience and taking on significant responsibilities.

Compensate fairly and without discrimination

The compensation policy is structured and managed to ensure fairness, without any possible discrimination against women. It pays particular attention to the equal treatment of women and men. Promotion on merit follows the same principles.

Since 2017, to exceed the targets set out in the agreement on gender equality with regard to compensation (approved by its labor partners and renewed in 2023), the Company has embarked on a detailed compensation review together with its labor partners to identify potential gender pay gaps on a "post-by-post" basis and has agreed in principle to a special remedial budget. The study revealed that the gap was close to 0% in terms of amount and value. Necessary adjustments are systematically immediately applied.

Vicat	W/M deviation 2023	W/M deviation 2022	W/M deviation 2021
S1 (€80K<SB<€100K)	+0.90%	+1.60%	-0.50%
S2 (€100K<SB<€165K)	+2.60%	+3.50%	-5.30%
S3 (€165K<SB<€300K)	+6.60%	+12.40%	-1.60%
H.C. (SB>€300K)	N/A	N/A	N/A

2023 STATEMENT OF EXTRA-FINANCIAL PERFORMANCE

Report on the Company's policy on professional and wage equality

In 2023, as in previous years, the Compensation Committee noted that for equal qualifications, the average pay gap for male and female managers is not significant. These results illustrate Vicat's pay parity policy driven by promotion on merit.

Vicat scored 92/100 in the Gender Equality Index in 2023 (92 in 2022, 89 in 2021, 92 in 2020, 89 in 2019, 87 in 2018). This score is above the French national average (85/100 in 2022) and the average for French cement companies (84/100 in 2022). Vicat's pay parity policy helped keep pay gaps small between 2022 and 2023. In line with the aggressive plan put in place by Management, three women are in the Company's top 10 salaried positions. Internal promotion and external hiring initiatives are continuing in order to achieve parity in the top 10 salaried positions. The action plan thus continues with a view to achieving a score of 100 in the medium term.

Overcoming obstacles

All of these actions are carried out despite the constraints imposed by the industrial nature of the Group's activities and jobs. Because of prejudice, industrial jobs remain very much the preserve of men (especially among blue-collar staff). One of the main obstacles is the lack of women in training courses for most industrial jobs (among mechanics for instance). These constraints explain the number of women as a proportion of Vicat's workforce: 176 out of a total of 959 (excluding Company officers and apprentices).

	TOTAL	Executives	Female white-collar staff	Female blue-collar staff
Percentage of women in the workforce at December 31, 2023	18.4%	30.5%	15.5%	2.9%

Despite these constraints, technical, scientific or industrial management positions are often filled by women. The same applies to engineering and middle management positions (assistant instrumentation engineer, new works assistant, R&D, laboratory, product quality, environmental engineer, security, etc.). In 2023, nearly 28% of new hires (including apprentices) were filled by women: 28% for managerial positions, 36% for employees, technicians, designers and first-line supervisors and 12% for blue collar positions.

In addition, close to 98% of female staff (excluding apprentices) were on permanent contracts in 2023, demonstrating the Group's secure employment policy.

Another example of the Company's commitment: with the backing of the Chair of the Louis Vicat Foundation, a partnership with the association Sport dans la Ville ("Sport in the City") enables young girls from disadvantaged neighborhoods to explore trades in the materials industry while eradicating prejudices.

Furthermore, the absence of convictions against the Company involving discrimination, bullying, sexual harassment and sexism against women illustrates the effectiveness of Company actions and provides female talent with an environment favorable to their development.

Starting in 2019, Vicat SA has appointed and trained "sexual harassment, bullying and sexist activities" advisers. A training course on relational harmony at work is run annually for managers at all levels to in particular help them pick up early warning signs.

Lastly, the director representing employees appointed to the Board of Directors in 2016 following a nomination by the Works Council, was reappointed in 2022 by the Central Economic and Social Committee. Nevertheless, she is still not counted for the purposes of the mandatory female quota under the Copé-Zimmermann Law. Labor partners, staff, management and the Board of Directors are still unable to comprehend this regulatory situation.

An inclusive approach together with the labor partners

These results are also owing to the joint efforts undertaken over many years by management, managers and labor partners. In accordance with agreements on equality at work, ambitious targets have been set to ensure a growing proportion of women in recruitment, training and promotions, and to ensure equal treatment of men and women in terms of compensation and professional development. These commitments are subject to regular monitoring, particularly with regard to compensation, with labor partners. The objectives defined for each of these issues in the recent agreement ended April 2016 were met. In 2019, Vicat signed a new "professional equality" agreement with its labor partners for 2019-2023 comprising ambitious targets by socio-professional category. This agreement, which also includes ambitious targets, was renewed in 2023. Between 2019 and 2023, the average female recruitment rate was almost 32%, compared with a high target of 35%.

Three-year agreement	"Agreement May 2019 April 2023"	2019 results	2020 results	2021 results	2022 results	2023 results
Percentage of women in the workforce	Targets:					
Management	33.0%	30.4%	30.8%	33.1%	29.9%	30.3%
"Employees, Technicians, Designers and First-Line Supervisors "	25.0%	19.3%	18.6%	21%	19.2%	19.4%
Blue-collar staff	5.5%	2.7%	2.4%	3.5%	3.5%	3.2%
TOTAL	22.0%	18.7%	19%	20.7%	19.3%	19.8%
Average percentage of women in new hires	Targets:					
Management	33.0%	34.0%	40.4%	45.6%	19%	28.1%
"Employees, Technicians, Designers and First-Line Supervisors "	50.0%	44.7%	54.5%	45.8%	37%	36.2%
Blue-collar staff	20.0%	25.7%	0%	14.5%	17.5%	11.8%
TOTAL	35%	35.6%	35.9%	36.1%	25.9%	28.1%

The share of women amongst the elected representatives in the Company's Economic and Social Committee has tracked the changes to the share of women in our workforce, representing 26% of elected representatives (versus 21% previously). The central union representative for Vicat is one of the rare cases of high-level female representation in the French industrial union world.

Recruit female talent in each SPC to reach gender parity in the workforce

Efforts continue to raise manager awareness, in particular by means of the guide on effective and inclusive recruitment (with accompanying e-learning), in which teams are asked to achieve parity. Amongst the targets, each recruitment process must systematically include at least one female candidate on each recruitment short-list (externally and internally). Furthermore, to increase the share of women in its workforce, the Company has a proactive female apprenticeship recruitment policy: of the 47 apprenticeships available in 2023 close to 43% were filled by women.