

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Cementir Holding is a multinational Group with registered offices in the Netherlands operating in the building materials sector. With operations in **18 countries**, production capacity of over **13 million** tons between white and grey cement, Cementir sells around **10 million** tons of aggregates every year, **5 million** cubic meters of ready-mix concrete and it represent a reference point both in the construction and maintenance of infrastructures as well as in residential and commercial construction.

Cementir is the global white cement leader with **around 27% share of global trade**. With the Aalborg White ® brand, Cementir is the leader in China, the United States, Western Europe, Australia, Malaysia, Egypt.

Cementir Holding defined a clear and incremental pathway which will enable cement to be produced according to science-based criteria and recommendations. In particular, the Group defined a 10-year roadmap focused on the following pillars:

- the development of a new *low-carbon cement*, FUTURECEM™, an innovative, validated and patented technology which allows for more than 35% of the energy-intensive clinker in cement to be replaced by limestone and calcined clay. This combination of materials in FUTURECEM™ has resulted in a much more sustainable, high-grade cement with a carbon footprint up to 30% lower than regular Portland cement. From 2014-2020, together with research institutions and a range of stakeholders and customers from the construction industry, Cementir tested FUTURECEM™ at full-scale in infrastructure as well as in an indoor floor and wall in the new concrete laboratory at the Danish Technological Institute. On January 2021, Cementir started the distribution of FUTURECEM™;
- the replacement of clinker with alternative decarbonised mineral additives such as fly ash and slag;
- the replacement of fossil fuels with alternative fuels.

In the 10-year Roadmap, the Group planned the main investment needed until 2030, out of which 107 million declared in the Industrial Plan 2021-2023, approved by the Cementir Board of Director in February 2021. For additional details, please see section 10-YEAR ROADMAP in the 2020 Sustainability Report attached or available in the corporate website.

Finally, it should be pointed out that Cementir Holding is the world's leading producer of white cement and, as recognized by EU ETS, white cement is a specialty product that entails a higher energy consumption and therefore CO2 emissions than the production of grey cement. This is because of the different raw materials and production technology. In the 10-year roadmap, Cementir identified a clear and incremental pathway for CO2 reduction also for white cement. Cementir will achieve its reduction target lowering the emissions of both types of cement produced, white and grey.

Difference between white and grey cement

White and grey cement are two distinctly different products, with different applications and production methods. White cement is a specialty product mainly used for high performance applications, dry-mix products, mortars, special products and decorative purposes, while grey cement is used in heavy construction, such as in-situ or precast concrete.

Obtaining the right (white) colour is a crucial factor in the manufacturing of white cement and is a conditional clause in trade contracts. A reflection of at least 86% is generally required for the white cement to be competitive compared to the reflection of grey cement which is in the range of 30-40%. For this reason, the production of white cement entails a higher energy consumption than the production of grey clinker. This deals with the fact that high grade raw materials are needed to achieve the necessary chemical purities. In addition, differently from the grey cement production, it is necessary to rapidly cool the white cement clinker from 1200° C to 600° C in a few seconds, which requires quenching with cold water which reduces the possibility of preheating combustion air.

Based on these particularities in the manufacturing of white cement, separate benchmark in the EU ETS has been necessarily deployed. For grey cement, the EU has set a benchmark of 693 Kg CO2/ t clinker, while for white cement the benchmark is 987 kg CO2/ t clinker, 42% higher.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2020	December 31 2020

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

- Belgium
- China
- Denmark
- Egypt
- Malaysia
- Turkey
- United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which financial control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Water data from aggregates, concrete products, and waste management treatment are excluded.	The Group continuously assesses and monitors the water footprint in each business in order to ensure a comprehensive picture of water withdrawal, discharge, recycle and consumption. However, in the questionnaire we reported only the data related to the cement business. The current priority is the cement business that, in 2020, accounted for the 90% of the total Cementir withdrawal.

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Not very important	Neutral	For primary use in DIRECT OPERATIONS, a good quality of freshwater is not required. In cement production processes, water is used principally to cool the equipment, conditioning the kiln gases and de-dusting and cleaning. These water needs can be addressed with recycled water, or rainwater harvested. In FUTURE, for DIRECT OPERATIONS, we did not expect any changes because freshwater will remain not important as we do not need large quantities of a good quality of freshwater in our operations. We do not expect the production processes of cement production to change significantly as concerns the utilization of water. For the primary use in INDIRECT OPERATIONS, the freshwater consumption in our value chain outside our direct operations is neutral. We selected neutral as a balanced outcome of considering the impacts for customers and suppliers. A few of our suppliers may require good quality of freshwater (e.g., machineries and equipment) but for our bulk requirements (fuels, raw materials and additives), high amount of a good quality of freshwater is not required. For customers, the quality of water used in concrete might have impacts on the fresh concrete properties, such as setting time and workability, and also strength and durability of hardened concrete. In the FUTURE, for INDIRECT OPERATIONS, this may change as water scarcity is expected to grow globally according to different scenario analyses which might result in suppliers or customers facing issues with water scarcity as well. An insufficient availability of good quality freshwater for our suppliers might cause interruptions in their production process and result in the inability to supply goods to Cementir.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Neutral	For primary use in DIRECT OPERATIONS, in cement production, a good quality of freshwater is not material, but sufficient quantities are needed for cooling the equipment, conditioning the kiln gases and de-dusting and cleaning. We have 82% of our sites with a water recycling system in place. We give emphasis to reuse/recycle for further use in cooling, dust suppression, gardening etc. What matters for the cement production process is the water quantity, rather than a very high quality for our operations' needs. For this reason we evaluate the direct use as important. This will be the same in the FUTURE, for DIRECT OPERATIONS, because we do not expect the production processes of cement production to change significantly as concerns the use of water. For the primary use in INDIRECT OPERATIONS, the sufficient amounts of water in our value chain outside our direct operations is neutral. We selected neutral as importance rating as a balanced outcome of considering the impacts for customers and suppliers. A few of our suppliers may require good quality of freshwater (e.g., machineries and equipment) but for our bulk requirements (fuels, raw materials and additives), high amount of a good quality of freshwater is not required. For customers, the quality of water used in concrete might have impacts on the fresh concrete properties, such as setting time and workability, and also strength and durability of hardened concrete. In the FUTURE, for INDIRECT OPERATIONS, this may change as water scarcity is expected to grow globally according to different scenario analyses which might result in suppliers or customers facing issues with water scarcity as well. An insufficient availability of good quality freshwater for our suppliers might cause interruptions in their production process and result in the inability to supply goods to cementir. The priority of the group is to secure the water availability for our direct operations

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	Withdrawals are monitored at site level, on a monthly basis, and consolidated at Group level on a quarterly basis. Withdrawals are based on measurement using flow meter and on calculation by measurement and estimation. We monitor all water drawn by all operational activities from all sources (surface water, groundwater, seawater, harvested rainwater, municipal water, quarry water used, external wastewater) for any use over the course of the reporting period. The set of parameters and indicators, defined by the Group Guidelines according to the CSI/GCCA Water guidelines, are considered as minimum requirements which each operating company is exclusively responsible for enacting and implementing at each site as integral and essential part of its own environmental management system. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Water withdrawals – volumes by source	100%	As mentioned in the previous section, water withdrawals are monitored at site level, on monthly basis and consolidated at Group level on a quarterly basis. Water withdrawals accounting methodologies are based on measurement using flow meters and on calculation by measurement and estimation. We monitor all water drawn by all operational activities of the Group from all sources (surface water, groundwater, seawater, harvested rainwater, municipal/potable water, quarry water used, external wastewater) for any use over the course of the reporting period. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	In cement production, a good quality of freshwater is not material, but sufficient quantities are needed for cooling the equipment, conditioning the kiln gases and de-dusting and cleaning. We monitor the quality of water withdrawals in order to identify freshwater and non-freshwater. As mentioned in the previous section, water withdrawals are monitored at site level, on monthly basis and consolidated at Group level on a quarterly basis. Water withdrawals accounting methodologies are based on measurement using flow meters and on calculation by measurement and estimation. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Water discharges – total volumes	100%	We undertake a comprehensive assessment of our water footprint in all our plants in order to ensure a comprehensive picture of water withdrawal, discharge, recycle and consumption. Sites are required to monitor the discharge volume, quality, and treatment method in accordance with the CSI/GCCA Water guidelines. Frequency of monitoring is done at a minimum as required by local regulations and consolidated at Group level on a quarterly basis. Water discharges accounting methodologies are based on measurement using flow meters and on calculation by measurement and estimation. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Water discharges – volumes by destination	100%	We monitor the total water discharge by receiving body. The sum of water effluents discharged over the course of the reporting period to surface, ground, sea/ocean, external water treatment plant, and other use through a defined discharge point (point source discharge), over land in a dispersed or undefined manner (nonpoint source discharge), or wastewater removed from the reporting organization via truck. Frequency of monitoring is done at a minimum as required by local regulations and consolidated at Group level on a quarterly basis. Water discharges accounting methodologies are based on measurement using flow meters and on calculation by measurement and estimation. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Water discharges – volumes by treatment method	Please select	Frequency of monitoring is done at a minimum as required by local regulations and consolidated at Group level on a quarterly basis. Water discharges accounting methodologies are based on measurement using flow meters and on calculation by measurement and estimation. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Water discharge quality – by standard effluent parameters	Please select	Frequency of monitoring is done at a minimum as required by local regulations and consolidated at Group level on a quarterly basis. Water discharges accounting methodologies are based on measurement using flow meters and on calculation by measurement and estimation. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Water discharge quality – temperature	Please select	Frequency of monitoring is done at a minimum as required by local regulations. Water discharges accounting methodologies are based on measurement using flow meters and on calculation by measurement and estimation. Monitoring will continue in the future.
Water consumption – total volume	100%	We undertake a comprehensive assessment of our water footprint in all our plants in order to ensure a comprehensive picture of water withdrawal, discharge, recycle and consumption. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
Water recycled/reused	100%	We undertake a comprehensive assessment of our water footprint in all our plants in order to ensure a comprehensive picture of water withdrawal, discharge, recycle and consumption. The 93% of total cement production takes place at sites whose environmental management system is ISO 14001 certified. The Aalborg site is also EMAS certified. Monitoring will continue in the future.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We commit to provide access to drinking water and sanitation at our workplace. Frequency of monitoring is done at a minimum as required by local regulations.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	8911	Much lower	Criteria on Total Withdrawal: No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). Comparing 2019, in 2020, the total withdrawals decreased of about 8%. For this reason, the comparison with previous year is " much lower". In 2020, the operations in the plants have been affected by Covid-19. The decreasing in the withdrawals are partially related to Covid-19 and partially related to the actions implemented by the Group for reducing water withdrawals. Due to Covid-19 only essential production activities were performed inside the plants. The group defined specific target reduction for the water consumption. Within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. For this reason, for the future, we expect a decreasing in the water withdrawals. Water withdrawals are monitored at site level and consolidated at Group level on a quarterly basis. We monitor all water drawn by all operational activities of the Group from all sources (surface water, groundwater, seawater, harvested rainwater, municipal/potable water, quarry water used, external wastewater) for any use over the course of the reporting period. The set of parameters and indicators, are defined according the CSI/GCCA Water guidelines. In the last years, the Group has been strongly committed in promoting efficiency water management practices, through, but not limited to, recycling/reusing, minimization of wastewater discharge and freshwater withdrawal, use of alternative water resources. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019.
Total discharges	4924	Much lower	Criteria on Total discharges: No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). Comparing 2019, in 2020, the total discharges decreased of about 10%. For this reason, the comparison with previous year is " much lower". In 2020, the operations in the plants have been affected by Covid-19. The decreasing in the withdrawals are partially related to Covid-19 and partially related to the actions implemented by the Group for reducing water withdrawals. Due to Covid-19 only essential production activities were performed inside the plants. The group defined specific target reduction for the water consumption. Within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. For this reason, for the future, we expect a decreasing in the water discharges. We monitor the total water discharge by receiving body. The sum of water effluents discharged over the course of the reporting period to surface, ground, sea/ocean, external water treatment plant, and other use through a defined discharge point (point source discharge), over land in a dispersed or undefined manner (nonpoint source discharge), or wastewater removed from the reporting organization via truck. The set of parameters and indicators, are defined according the CSI/GCCA Water guidelines. In the last years, the Group has been strongly committed in promoting efficiency water management practices, through, but not limited to, recycling/reusing, minimization of wastewater discharge and freshwater withdrawal, use of alternative water resources. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019.
Total consumption	3987	Much lower	Criteria on Total consumption : No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). Comparing 2019, in 2020, the total consumption decreased of about 6%. For this reason, the comparison with previous year is " much lower". In 2020, the operations in the plants have been affected by Covid-19. The decreasing in the withdrawals are partially related to Covid-19 and partially related to the actions implemented by the Group for reducing water withdrawals. Due to Covid-19 only essential production activities were performed inside the plants. The group defined specific target reduction for the water consumption. Within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. For this reason, for the future, we expect a decreasing in the water consumption. We undertake a comprehensive assessment of our water footprint in all our plants in order to ensure a comprehensive picture of water withdrawal, discharge, recycle and consumption. The calculation of the consumption is based on an aggregation of local measurements. In the last years, the Group has been strongly committed in promoting efficiency water management practices, through, but not limited to, recycling/reusing, minimization of wastewater discharge and freshwater withdrawal, use of alternative water resources. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	26-50	Lower	WRI Aqueduct	Criteria for comparison: No change (<2%) Higher/Lower if change is between (2%-5%). Much Higher/Lower is (>5%). In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas. In 2019, 34% of our total water withdrawal was sourced from plants located in water stressed areas. For this reason, in 2020, the % from water stressed areas was lower than in 2019.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	4397	Lower	Criteria for comparison: No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). Comparing 2019, in 2020, the withdrawals of fresh surface water decreased of almost 5%. For this reason the comparison with previous year is "lower". This is mainly due to improved efficiency and more water recycling. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019. We consider this as relevant since some processes in our operations require significant quantities of water. Moreover, in 2020, the operations in the plants have been affected by Covid-19. The decreasing in the fresh surface water withdrawals are partially related to Covid-19 and partially related to the actions implemented by the Group for reducing water withdrawals. Due to Covid-19 only essential production activities were performed inside the plants.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Cementir does not use seawater.
Groundwater – renewable	Relevant	4304	Much lower	Criteria for comparison No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). Comparing 2019, in 2020, the groundwater decreased of almost 10%. For this reason the comparison with previous year is "much lower". This is mainly due to improved efficiency and more water recycling. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019. We consider this relevant as some of our sites depend on groundwater in plant operations and domestic purpose.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	We follow the CSI/GCCA Water guidelines and no distinction is made between Groundwater - non-renewable and Groundwater renewable. We only measure Groundwater freshwater and Groundwater of brackish or saline sources.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	In line with the GCCA Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing, we do not measure this withdrawal indicator as we do not withdraw any produced water for our operations.
Third party sources	Relevant	210	Much lower	Criteria for comparison No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). Comparing 2019, in 2020, the groundwater decreased of almost 32%. For this reason the comparison with previous year is "much lower". This is mainly due to improved efficiency and more water recycling. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019. Some plants depend on water from third parties (mainly municipal e) so for this reason this type of source is important and relevant

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	1831	Much lower	Criteria for comparison: No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). We consider the discharge to fresh surface water relevant because the standards and regulations concerning discharge quality must be met by each plant and so the proper treatment prior discharging must be applied. In 2020, this type of discharge are the 37% of the total. Comparing 2019, in 2020, the discharges by surface decreased of almost 19%. For this reason the comparison with previous year is "much lower". This is mainly due to improved efficiency and more water recycling. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019. The group defined specific target reduction for the water consumption. For this reason, for the future, we expect a decreasing in the water discharges to fresh surface water,
Brackish surface water/seawater	Relevant	3005	Lower	Criteria for comparison: No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). This discharge is relevant to us as because account for the 61% of the total discharge. Moreover, is relevant because the standards and regulations concerning discharge quality must be met by each plant and so the proper treatment prior discharging must be applied. We discharge the water to the sea in North Europe (Denmark). Comparing 2019, in 2020, the discharges by surface decreased of almost 3%. This is mainly due to improved efficiency and more water recycling. In 2020, the percentage of reused water reached 41% of the total versus the 36% of 2019 The group defined specific target reduction for the water consumption. For this reason, for the future, we expect a decreasing in the water discharges to brackish surface water.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	There is not this type of discharge.
Third-party destinations	Relevant	89	Much lower	Criteria for comparison No change (<2%) Higher/Lower if change is between (2%-5%). Much higher/lower is (>5%). This discharge is mainly related to the domestic sewage discharged according to the local legislations. Discharge to third party sources is relevant because the company must ensure that the discharge quality is compliant with standards and regulations. We apply proper treatment prior to discharge. Comparing 2019, in 2020, the discharges by surface decreased of about 5%. The domestic discharge are decreased mainly due to the minor presence of employees in the plants due to the Covid rules applied worldwide by the Group (for example, the Group promoted smartworking whenever possible). For the future, we did not expect changes and we think the amounts remain aligned with the reported values.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our customers or other value chain partners

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Partner engaged: Customers

Rationale: Cement is usually manufactured at many locations close to the market and therefore close to the customers. Cement is the main component of concrete and concrete is the world's most widely used building material. For our customers that are producing concrete, water is an essential "raw material". In the high water stressed area, a stakeholder conflict could be with our customers.

Engagement method: Proactive engagement and collaboration with customers by the sales team to understand the needs. Between 2018 and 2019, we perform a survey to investigate the status of the green transition in North Europe (Scandinavia, France, Belgium, Netherlands), then how it will change the construction industry in the coming years and finally what Cementir should do when it comes to sustainability topics (among other water management and CO2). For our customers located in water stress area, as central Europe (i.e Belgium or north of France), is becoming relevant to have supplier of cement able to guarantee a sustainable use of water.

Action: In 2019, the plant located in Belgium, an high-stress area according to the WRI Aqueduct Global Water Tool, decided to commit the CSC Certification System. The CSC system is a product certificate can demonstrate its contribution for the production of a sustainable concrete (the final product offered by our customers). In order to obtain the CSC supplier certificate, the cement plant must meet several requirements about environmental topics, as "water management", "land use", "energy & climate", "air emissions".

Measurement of success : In 2020, the plant located in Belgium has been awarded CSC SILVER Certification which relates to the Concrete Sustainability Council.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines, enforcement orders or other penalties but none that are considered as significant

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

Total number of fines

1

Total value of fines

24672

% of total facilities/operations associated

9

Number of fines compared to previous reporting year

Higher

Comment

One cement plant in US received minor penalties in the reporting year. In 2019, the Group was not subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations.

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management

Tools and methods used

WRI Aqueduct
COSO Enterprise Risk Management Framework

Comment

We undertake a comprehensive assessment of water risks that the Group is exposed to. The risk related to water management are assessed and managed during the risk management process that the Group has organised according to the principles envisaged by the Enterprise Risk Management - Integrated Framework, international standard issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report) A panel of specific risks related to the sustainability aspects is applied to all the Group companies. The Sustainability risks are related to 5 key areas Transition risks, Physical risks, Transition opportunities, Climate strategy and Social Risks. About Physical risks, we assess Cementir's exposure to acute physical risks, water stress risk and the usage and management of our water supply. For example, in 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas.

Supply chain

Coverage

Partial

Risk assessment procedure

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management

Tools and methods used

WRI Aqueduct
COSO Enterprise Risk Management Framework

Comment

We undertake a comprehensive assessment of water risks that the Group is exposed to. The risk related to water management are assessed and managed during the risk management process that the Group has organised according to the principles envisaged by the Enterprise Risk Management - Integrated Framework, international standard issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report) In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas. The water risk related to supply chain could be relevant in the high water stressed area.

Other stages of the value chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management

Tools and methods used

WRI Aqueduct

Comment

We undertake a comprehensive assessment of water risks that the Group is exposed to. The risk related to water management are assessed and managed during the risk management process that the Group has organised according to the principles envisaged by the Enterprise Risk Management - Integrated Framework, international standard issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report) In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas. For our customers, especially for who is involved in the production of ready mix concrete, water is an essential "raw material". Water combined with cement is essential for the production of concrete. In addition, cement is usually sold to customers located close to the plants, for this reason the water risk related to customers could be relevant in the high water stressed area.

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	Why it is relevant: In cement production, a good quality of freshwater is not material, but sufficient quantities are needed for cooling the equipment, conditioning the kiln gases and de-dusting and cleaning. So, water availability at a catchment level is important in our risk assessment as we need water in our cement production process. Task: Cementir must perform a water availability assessment to manage any potential issue in water supply. Tool used in the assessment: In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas. Result: Reduction of water consumption in all locations is fundamental, with a focus on water stressed areas. For this reason, within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. Water availability is important especially for the operations and we expect this to remain relevant in the future.
Water quality at a basin/catchment level	Relevant, always included	Why it is relevant: For primary use in direct operations, a good quality of freshwater is not required but concerning water discharge, Cementir must ensure that water quality is in line with permits and legislations. So, water discharge quality (pH-value, temperature, total suspended solids) presents a potential regulatory risk to us as a violation would threaten our license to operate and/or cost money. Hence, when assessing water risks, we take into account water quality of discharge. Task: Cementir must implement a proper monitoring system of the water quality Tool used in the assessment: The specific requirements regarding water quality are monitored by the plants, if necessary in conjunction with Group functions. In particular, the environmental department at site level ensure the compliance with local rule about quality discharge. Environmental managers area assigned for each plant. A group environmental manager is also set at Group level. Results: As reported in W2.2, in 2020 the inspection performed the local authorities revealed only one minor penalty, considered as not significant, while in 2019, the Group was not subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, always included	Why it is relevant: cement is usually manufactured at many locations close to the market and therefore close to the customers. Cement is the main component of concrete and concrete is the world's most widely used building material. For our customers that are producing concrete, water is an essential "raw material". In the high water stressed area, a stakeholder conflict could be with our customers. Tool used in assessment: between 2018 and 2019, we perform a survey to investigate the status of the green transition in in North Europe (Scandinavia, France, Belgium, Netherlands), then how it will change the construction industry in the coming years and finally what Cementir should do when it comes to sustainability topics (among other water management and CO2). For our customers located in water stress area, as central Europe (i.e Belgium or north of France), is becoming relevant to have supplier of cement able to guarantee a sustainable use of water. Task: Cementir must put in place actions to guarantee a sustainable use of water in the water-stressed area. This responsible use of water must be certified by third parties. Action: In 2019, the plant located in Belgium, a high-stress area according to the WRI Aqueduct Global Water Tool, decided to commit the CSC Certification System. The CSC system is a product certification system, which typically applies to all products manufactured and supplied by ready-mix plants in order to guarantee the sustainability of their product. The cement suppliers can obtain a 'CSC supplier certificate'. In this way the cement producer can demonstrate its contribution for the production of a sustainable concrete (the final product offered by our customers). In order to obtain the CSC supplier certificate, the cement plant must meet several requirements about environmental topics, as "water management", "land use", "energy & climate", "air emissions". Results: In 2020, the plant located in Belgium has been awarded CSC SILVER Certification which relates to the Concrete Sustainability Council.
Implications of water on your key commodities/raw materials	Relevant, sometimes included	Why it is relevant: the main fuels and raw materials used in the production process, as coal, petcoke or gypsum could require large quantities of water. This fuels and raw materials are relevant for our production process, for this reason we included in our risk assessment and will be included in future as well. Tool used in the assessment: in 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas. The water risk related to supply chain could be relevant in the high water stressed area.
Water-related regulatory frameworks	Relevant, always included	Why it is relevant: water-related regulatory frameworks are part of general regulatory frameworks included in our risk management process, which could be a risk as compliance is crucial and non-compliance can lead to costs and other adverse effects, therefore we consider them as important. Tool used in the assessment: as part of the site environmental management systems (EMS) and the Group Enterprise Risk management (ERM), a systematic review of compliance with applicable environmental legal regulations and company standards (including water) is carried out by all sites on a regular basis. In particular, local management is responsible for the compliance with the local legislations. The environmental department monitor local permitting and regulatory issues which also include water. Environmental managers area assigned for each plant. A group environmental manager is also set a Group level.
Status of ecosystems and habitats	Relevant, always included	Why it is relevant: The first step in cement production, the extraction of raw materials, inevitably impacts on the surrounding natural and social environment. In particular, the removal of soil and changes in topography of the area are likely to affect local ecosystems and watersheds. However, these impacts can be successfully addressed and mitigated through the development and implementation of an effective quarry rehabilitation plan. In some cases, the effective implementation of a well-designed rehabilitation plan can result in significant environmental and social benefits. Task: Cementir must put in place an adequate rehabilitation process for the quarry excavated. Tool used in the assessment: According to the information coming from the WRI Aqueduct Global Water Tool about the water stress area and According to long-term sourcing needs by the Group, we carefully plan and design our quarries considering international best practices and complying with national and local mining/environmental legislations. Risk related to safety , flora, fauna and water resources are evaluated. We therefore aim to minimise or eliminate any potential negative impacts that may occur as a result of quarrying activities and work to enhance potential positive impacts wherever possible. Results: In Cementir, 95% of quarries have a rehabilitation plan in place.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	We commit to provide access to water in our workplace. This become also more important in 2020 because following the coronavirus outbreak the basic hygiene measures, such as the frequent hand washing and the constant wearing of face masks became essential to guarantee health and well-being of our employees and partners. In the first quarter of 2020, a HR team at Group level and focal points at country level were established to meet this challenge. The country focal points are coordinated by the central team and each company must comply with their national health regulatory requirements and must execute the guidance given by the Group. Cementir is following the advice of the World Health Organization along with governments and public health authorities in each country where the Group operates. An extensive range of business continuity and precautionary measures have been put in place across our operations globally. With regards to the countermeasures adopted by Group companies, the first action implemented and strongly encouraged is social distancing: this is the main element which all other countermeasures are based on. The rule of maintaining a distance greater than 1-1.5 meters from other people is the most common form of this. Awareness and training are then further cornerstones of a clearly implemented pandemic emergency management system, as well as the washing of hands, contact surface cleaning and smart working, along with the reduction of workforce presence in offices. Specific training courses have been arranged for the employees and posters and toolbox talks have been posted to stress the importance of basic hygiene measures, such as the frequent hand washing and the constant wearing of face masks.
Other contextual issues, please specify	Not considered	We did not consider any other issue.

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Situation: For our customers, especially for who is involved in the production of ready-mix concrete, water is an essential "raw material". Water combined with cement is essential for the production of concrete. For our customers located in water stress area, as central Europe (i.e Belgium or North of France), is becoming relevant to have supplier of cement able to guarantee a sustainable use of water. Task: Cementir must put in place actions to guarantee a sustainable use of water in the water-stressed area. This responsible use of water must be certified by third parties. Action: In 2019, the plant located in Belgium, a high-stress area according to the WRI Aqueduct Global Water Tool, decided to commit the CSC Certification System. The CSC system is a product certification system, which typically applies to all products manufactured and supplied by ready-mix plants in order to guarantee the sustainability of their product. The cement suppliers can obtain a 'CSC supplier certificate'. In this way the cement producer can demonstrate its contribution for the production of a sustainable concrete (the final product offered by our customers). In order to obtain the CSC supplier certificate, the cement plant must meet several requirements about environmental topics, as "water management", "land use", "energy & climate", "air emissions". Results: In 2020, the plant located in Belgium has been awarded CSC SILVER Certification which relates to the Concrete Sustainability Council.
Employees	Relevant, always included	We commit to provide access to water our workplace. This become also more important in 2020 because following the coronavirus outbreak the basic hygiene measures, such as the frequent hand washing and the constant wearing of face masks became essential to guarantee health and well-being of our employees and partners. In the first quarter of 2020, a HR team at Group level and focal points at country level were established to meet this challenge. The country focal points are coordinated by the central team and each company must comply with their national health regulatory requirements and must execute the guidance given by the Group. Cementir is following the advice of the World Health Organization along with governments and public health authorities in each country where the Group operates. An extensive range of business continuity and precautionary measures have been put in place across our operations globally. With regards to the countermeasures adopted by Group companies, the first action implemented and strongly encouraged is social distancing: this is the main element which all other countermeasures are based on. The rule of maintaining a distance greater than 1-1.5 meters from other people is the most common form of this. Awareness and training are then further cornerstones of a clearly implemented pandemic emergency management system, as well as the washing of hands, contact surface cleaning and smart working, along with the reduction of workforce presence in offices. Specific training courses have been arranged for the employees and posters and toolbox talks have been posted to stress the importance of basic hygiene measures, such as the frequent hand washing and the constant wearing of face masks.
Investors	Relevant, always included	Situation: Many investors believe that water-related risks will have a material impact on an organization's long-term profitability, sustainability and investor returns and they strongly believe that reporting through CDP will help organization better identify any gaps in its reporting and improve its current practices. Task: Cementir received formal request form investor for submitting the CDP water questionnaire. So, Cementir implemented an internal reporting system to monitor water withdrawals, consumption and impacts, to defines targets and strategies to reduce consumption and secure operational efficiency in water-scarce scenarios Action: Cementir undertook a comprehensive assessment of water risks that the Group is exposed to. The risk related to water management are assessed and managed during the risk management process that the Group has organised according to the principles envisaged by the Enterprise Risk Management - Integrated Framework, international standard issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report). In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas. An internal reporting system to monitor water withdrawals, consumption, targets and strategies has been implemented Results: In July 2021, Cementir submitted the CDP Water Security Questionnaire
Local communities	Relevant, always included	Cementir is continuously improving technical solutions that reduce environmental impact and that balance the interests of the company with those of local communities. The water is a local source and the water availability and quality is a fundamental community issue, especially in areas of water stress. For this reason, local communities are included in our water-related risk assessments. The Group engages on a regular basis with local communities organising community meetings with feedback sessions. Dialogue with the institutions, communities and associations affected by plant operations is essential for the continuity and preservation of the business
NGOs	Relevant, always included	Feedback from NGOs are included in water-related risk assessments. Water is a multi-stakeholder issue and input from various segments of stakeholders are needed for a good risk assessment. For example, we collect information and input from the WRI (In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool) or from CDP in order to identify any gaps in our reporting and improve our current practices.
Other water users at a basin/catchment level	Please select	As part of our water risk assessment in 2020, we identify the baseline water stress level of each site. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. Competing water users especially in water stressed areas (> 40% baseline water stress) is a major risk that could impact our access to water supply, renewal of our permits, and operating costs. In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas. Result: the group defined specific target reduction for the water consumption for the plant located in water stress area. The plants located in water stress area will reduce water consumption of 25% within 2030, comparing 2019.
Regulators	Relevant, always included	Water-related regulatory frameworks are part of general regulatory frameworks included in our risk management process, which could be a risk as compliance is crucial and non-compliance can lead to costs and other adverse effects. Local management is responsible for the compliance with the local legislations. The environmental department monitor local permitting and regulatory issues which also include water. Environmental managers area assigned for each plant. A group environmental manager is also set at Group level.
River basin management authorities	Relevant, always included	Water-related regulatory frameworks are part of general regulatory frameworks included in our risk management process, which could be a risk as compliance is crucial and non-compliance can lead to costs and other adverse effects. Local management is responsible for the compliance with the local legislations. The environmental department monitor local permitting and regulatory issues which also include water. Environmental managers area assigned for each plant. A group environmental manager is also set at Group level.
Statutory special interest groups at a local level	Not considered	There are no significant statutory special interest groups.
Suppliers	Relevant, sometimes included	We undertake a comprehensive assessment of water risks that the Group is exposed to. The risk related to water management are assessed and managed during the risk management process that the Group has organised according to the principles envisaged by the Enterprise Risk Management - Integrated Framework, international standard issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report) In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas. The water risk related to supply chain could be relevant in the high water stressed area.
Water utilities at a local level	Not relevant, explanation provided	A total of 210 megaliters (about the 2% of total withdrawal) were supplied by local utilities in 2020. This volume is relatively low compared to our other withdrawal sources. For this reason, we considered not relevant.
Other stakeholder, please specify	Not considered	We did not include any other stakeholder.

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Annually, Cementir Holding updates the risk assessment model for each subsidiary, according to the Enterprise Risk Management — Integrated Framework, evaluating sustainability, operating, financial, strategic and compliance risks included in the Enterprise Risk Management model.

For each risk, the related likelihood and impact are evaluated, in order to calculate the inherent risk level. It includes a bottom-up and top-down risk assessments.

A panel of specific risks related to the sustainability aspects is applied to all the Group companies. These analyses are linked with the Group Sustainability Strategy and a separate disclosure is provided, quarterly to the Audit Committee.

The Sustainability risk are related to four key areas: Transition risks, Physical risks, Transition opportunities and Climate governance and strategy.

In the Physical risks, we evaluate the Cementir exposure to water-related risks.

Direct Operations.

Situation: In cement production, a good quality of freshwater is not material, but sufficient quantities of water are needed for cooling the equipment, conditioning the kiln gases and de-dusting and cleaning. So, water availability at a catchment level is important in our risk assessment as we need water in our cement production process.

Task: Cementir must perform a water availability assessment to manage any potential issue in water supply.

Action: In the Group Risk Register, the tool used by the Group to identify and monitor each risk, the risk "water stress" is listed. This risk is evaluated during each session of risk process with each plant of the Group. In 2020, a comprehensive water risk assessment was carried out for all cement plant using the WRI Aqueduct. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas.

Result: The group defined specific target reduction for the water consumption. Within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%

Other stages of value chain

Situation: cement is the main component of concrete and concrete is the world's most widely used building material. For our customers, especially for who is involved in the production of concrete, water is an essential "raw material". Water combined with cement is essential for the production of concrete.

For our customers located in water stress area, as central Europe (i.e. Belgium or North of France), is becoming relevant to have supplier of cement able to guarantee a sustainable use of water.

Task: Cementir must put in place actions to guarantee a sustainable use of water in the water-stressed area. This responsible use of water must be certified by third parties.

Action: In 2019, the plant located in Belgium, a high-stress area according to the WRI Aqueduct Global Water Tool, decided to commit the CSC Certification System. The CSC system is a product certification system, which typically applies to all products manufactured and supplied by ready-mix plants in order to guarantee the sustainability of their product. The cement suppliers can obtain a 'CSC supplier certificate'. In this way the cement producer can demonstrate its contribution for the production of a sustainable concrete (the final product offered by our customers). In order to obtain the CSC supplier certificate, the cement plant must meet several requirements about environmental topics, as "water management", "land use", "energy & climate", "air emissions".

Results: In 2020, the plant located in Belgium has been awarded CSC SILVER Certification which relates to the Concrete Sustainability Council.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

The Integrated Risk Management process takes a top-down and risk-based approach, starting from the definition of Cementir Holding's Strategic Plan which cover different matters: sustainability, climate change, environment, compliance, operational, financial, strategic planning, health and safety and reputational risks. According to the process, the risks are identified, assessed, managed and monitored taking into account operations, risk profiles and risk management systems of each business unit, to create a wholly integrated risk management process. Every year, Cementir performs and updates these assessments on the whole Group, involving all subsidiaries and the Corporate Level. The top risks results are submitted to the Top Management and Corporate Bodies (Audit Committee and Board of Directors) in November of each calendar year.

In addition, on quarterly basis a monitoring processes are performed on Group's top risks for monitoring the implementation status of actions plan agreed.

Risks are assessed in terms of **likelihood** and **impact** and their combination generates the risk scoring.

Risk scoring is determined on the basis of the results of the multiplication between **likelihood** and **impact**.

A scale from 1 to 25 is obtained and the risks that have a risk score of 12 or higher are considered to have a potential **substantive financial impact** that could undermine the business or part of the business.

In the assessments **we consider both direct operations and supply chain**.

The risk **impact** value is assessed based on a 5-level rating scale: 1-negligible, 2-Low, 3-significant, 4-high, 5- critical.

Impacts are defined based on the evaluation of the following parameters:

Economical: a specific risk or opportunity is considered as having a substantive impact, if the resulting deviation from the planned EBITDA 2020 (Group EBITDA:€ 244.500.000) as follow:

- Impacts below 0,5% of operating EBITDA are considered as Negligible (< 1.222.500 €)
- Impacts between 0,5%-5% of operating EBITDA are considered as Low (€1.222.500- € 12.225.000)
- Impacts between 5-15% of operating EBITDA are considered as Significant (€ 12.225.000 - €36.675.000)
- Impacts between 15-30% of operating EBITDA are considered as High (€ €36.675.000- € 73.350.100)
- Impacts above 30% of operating EBITDA are considered as Critical (€ > 73.350.100)

Operational: significant delay on the lead time, that cannot be managed through an internal reorganization of business activities, are evaluated as substantive for the Company;

Reputational: Cementir evaluates as substantive the risk of a negative judgment on an international scale by media or high loss of confidence by stakeholders.

In order to assess the overall magnitude of the risk, impact is combined with the likelihood, that is apportioned over a 5-level rating scale: 1- rare, 2- unlikely, 3- moderate, 4- likely, 5- more than likely.

Cementir defines the **likelihood** as the probability of occurrence of climate related events in the next 2 years:

- Rare: <10%: that the risk event will occur during the first two years from the time of evaluation;
- Unlikely (10 % - 35 %) that the risk event will occur during the first two years from the time of evaluation;
- Moderate: It is likely (35 % - 65 %) that the risk event will occur during the first two years from the time of evaluation;
- Likely: It is highly likely (65 % - 90 %) that the risk event will occur during the first two years from the time of evaluation;
- More than likely: It is almost certain (> 90 %) that the risk event will occur during the first two years from the time of evaluation;

Once defined Impact and likelihood, risk scoring is determined on the basis of the results of the multiplication between likelihood and impact.

The risk scoring as a scale from 1 (impact below 0,5% of operating EBITDA and likelihood rare, < 10%) to 25 (Impacts above 30% of operating EBITDA and likelihood More than likely, >90%)

All risks that have a risk score of 12 or higher are considered to have a potential **substantive financial impact** that could undermine the business or part of the business.

At the end of the year, Cementir consolidates at Group level the results of all the ERM models performed in each subsidiary.

Specifically, Cementir evaluated as **substantive Group risks**:

- risks for which the weighted average on the individual companies was found to be High (risk score of 12 or higher);
- risks that have been assessed as high on one or more companies/regions which together contribute to at least 30% of the Group's total EBITDA
- risks evaluated as High by Top Management Corporate level, regardless the risk scoring resulting from the ERM.

Currently, water-related risks do not have the potential to have a substantive financial or strategic impact on our business. The risks exists but no substantive impact have been highlighted. In the future, this could change.

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Risk has been identified but without the potential to have a substantial financial or strategic impact at Group level. We undertake a comprehensive assessment of water risks that the Group is exposed to. The risk related to water management are assessed and managed during the risk management process that the Group has organised according to the principles envisaged by the Enterprise Risk Management - Integrated Framework, international standard issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report) A panel of specific risks related to the sustainability aspects is applied to all the Group companies. The Sustainability risks are related to 5 key areas Transition risks, Physical risks, Transition opportunities, Climate strategy and Social Risks. About Physical risks, we assess Cementir's exposure to acute physical risks, water stress risk and the usage and management of our water supply. For example, in 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas. Water risks at a local level exist for our direct operations but without the potential to have a substantial financial or strategic impact at Group level. For example, our Egyptian plant is located in the desert area of Sinai, a water stressed area. Over the years, the plant have adopted technical solutions in order to reuse or use water resources more efficiently. However, reduction of water consumption in all locations is fundamental, with a focus on water stressed areas. For this reason, within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. The targets have been deployed per single plant.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Risk has been identified but without the potential to have a substantial financial or strategic impact at Group level. Situation: For our customers, especially for who is involved in the production of ready-mix concrete, water is an essential "raw material". Water combined with cement is essential for the production of concrete. For our customers located in water stress area, as central Europe (i.e. Belgium or North of France), is becoming relevant to have supplier of cement able to guarantee a sustainable use of water. Task: Cementir must put in place actions to guarantee a sustainable use of water in the water-stressed area. This responsible use of water must be certified by third parties. Action: In 2019, the plant located in Belgium, an high-stress area according to the WRI Aqueduct Global Water Tool, decided to commit the CSC Certification System. The CSC system is a product certification system, which typically applies to all products manufactured and supplied by ready-mix plants in order to guarantee the sustainability of their product. The cement suppliers can obtain a 'CSC supplier certificate'. In this way the cement producer can demonstrate its contribution for the production of a sustainable concrete (the final product offered by our customers). In order to obtain the CSC supplier certificate, the cement plant must meet several requirements about environmental topics, as "water management", "land use", "energy & climate", "air emissions". Results: In 2020, the plant located in Belgium has been awarded CSC SILVER Certification which relates to the Concrete Sustainability Council.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

W4.3b

(W4.3b) Why does your organization not consider itself to have water-related opportunities?

	Primary reason	Please explain
Row 1	Evaluation in progress	We are currently evaluating them. For example, in 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas. For this reason, reduction of water consumption in all locations is fundamental for the group, with a focus on water stressed areas. For this reason, within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. For example, the reduction in water consumption will lead to cost saving that the group is currently evaluating. The evaluation process will be completed within 2021.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy, but it is not publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to stakeholder awareness and education Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace	Group Water Policy provides guidance to the operating companies on the responsible management of water. Water Policy applies to all operational activities of the Cementir Group, it being understood that each operating company is responsible for implementation of such address and guidance as integral and essential part of its own Environmental Management System. The management framework for the responsible use of water is the effective implementation and maintenance of the Environmental Management System of the operating companies pursuing the following commitments: • Consider water supply as a risk/opportunity assessment factor in maintaining and developing operations and businesses. • Align the internal water management practices to international best practice, to push the plants beyond regulatory compliance • Focus efficiency practices on freshwater especially at sites located in areas under high water stress according to World Resources Institute – Aqueeduct’s water risk map. • Set contextual and measurable water management targets following an environmental integrated approach and according to the UN Sustainable Development Goals. • Monitor, review and disclose regularly the water management performance according to reference indicators recognized at international level (e.g., Global Reporting Initiative standard). • Develop a relationship of constructive cooperation, based on utmost openness and trust, both within the group itself and vis-à-vis the local community and the institutions to share water challenges for the conservation of such common resource. • Encourage employees and third parties along the supply chain to develop and demonstrate responsible behaviour toward water use and conservation. • Ensure compliance with all applicable local, regional, national and international legislation as well as corporate guidelines and rules. • Ensure access to water in our workplace. This become also more important in 2020 because following the coronavirus outbreak the basic hygiene measures, such as the frequent hand washing and the constant wearing of face masks became essential to guarantee health and well-being of our employees and partners. • Reduce the water consumption per ton of cement by 20% at Group level, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. (see section W8 for details)

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	Due to increasing relevance of climate-related issues and sensibility of the Group, a specific Sustainability Committee has been established within the Board, dedicated to the Group’s initiatives and engagement in this field and with responsibilities detailed in the related Charter. The Committee’s purpose is: (i) to assist and advise the Board in its oversight of the Group’s policies, programs and related risks however concerning sustainability matters (among other, CO2 emission, water management, health and Safety, diversity promotion); (ii) act under authority delegated by the Board with respect to setting out, monitoring, evaluating and reporting on policies and practices, management standards, strategy, performance and governance, relating to global and local sustainability matters, involving the Group; (iii) regularly interface with the Sustainability Department and the Group Management Team to respectively collect any required information and provide requested insights and advices and (iv) regular reporting to the Board. The committee meets at least quarterly. In 2021, the Sustainability Committee reviewed the water risk assessment carried out for all cement plant using the WRI Aqueeduct Global Water Tool and approved the water-related targets. Within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Sporadic - as important matters arise	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding corporate responsibility strategy	The Board of Directors (BoD) is informed and deliberates on climate-related issues at least quarterly. In 2019-2020, climate related issues have been the priority of Cementir with a particular focus on CO2 emissions. Water related issues have been integrated in the Enterprise Risk Management process and have been discussed by the BoD as important matters arise. The BoD set the overall strategy, approves the performance objectives and goals for the Group. For example: • in November 2019, the Board approved the target to reduce CO2 emissions per ton of cement produced of 30% by 2030; • in March 2020 the Board approved the 25 Sustainability Targets set by the Group (including among other, targets on emissions, alternative fuels, water management) and the 2019 Sustainability Report ; • in June 2020, the Board was informed about the evolution on the main Sustainability KPIs and related targets in the first half year of 2020. A specific section for the Non-financial indicators (with the indication of Co2 emissions, alternative fuels, water withdrawals and water) was included in the 2020 CONSOLIDATED HALF-YEAR REPORT. • in November 2020, the Board Reviewed the Group Enterprise Risk Assessment. Moreover, the BoD defines the guidelines of the risk management system, so that the main risks concerning the whole Group are correctly identified and adequately measured, managed and monitored, determining, the level of compatibility of such risks with the management of the company in a manner consistent with its strategic objectives. The Risk Management system analyzes the risks of each Group company (and of the Group) and evaluates the related level of mitigation, through a uniform methodology. All kind of risks are covered by the ERM (strategic, financial, compliance and operational), consequently, also risks related sustainability, as CO2 emissions, alternative fuels availability and others are integrated in the model. A panel of specific risks related to the sustainability aspects is applied to all the Group companies. These analyses are linked with the Group Sustainability Strategy and a separate disclosure is provided to the Audit Committee and BoD. In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Sustainability committee

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

A specific Sustainability Committee has been established within the Board, dedicated to the Group's initiatives and engagement in this field and with responsibilities detailed in the related Charter. The Committee's purpose is: (i) to assist and advise the Board in its oversight of the Group's policies, programs and related risks however concerning sustainability matters (among other, CO2 emission, water management, health and Safety, diversity promotion); (ii) act under authority delegated by the Board with respect to setting out, monitoring, evaluating and reporting on policies and practices, management standards, strategy, performance and governance, relating to global and local sustainability matters, involving the Group; (iii) regularly interface with the Sustainability Department and the Group Management Team to respectively collect any required information and provide requested insights and advices and (iv) regular reporting to the Board. The committee meets at least quarterly

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify (Chief Internal Audit Officer - directly reporting to the Group Chairman. The Chief also report functionally to Control and Risks Committee of Cementir Holding and he is also member of Ethics and Sustainability committees)

Responsibility

Assessing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Annually

Please explain

The internal audit is in charge for the identification, evaluation and monitoring of all Group risks (ERM). All kind of risks are covered by the ERM (strategic, financial, compliance and operational), consequently, also risks related sustainability, as CO2 emissions or water related issues. The Chief Internal Audit Officer update annually the Audit and Risk Committee about the evolution of the main risks.

Name of the position(s) and/or committee(s)

Other, please specify (Chief Technical Coordinator Officer - directly reporting to the Group COO (Chief Operating Officer))

Responsibility

Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Not reported to board

Please explain

The Chief Technical Coordinator Officer is in charge for the internal reporting system to monitor water withdrawals, consumption and impacts, targets and strategies to reduce consumption and secure operational efficiency in water-scarce scenarios. The information related to water management are updated on a quarterly based

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, not currently but we plan to introduce them in the next two years	In 2020, the Group did not provide any monetary incentives for the management of water-related issues. The Group will introduce them in 2021.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

The Sustainability Committee is quarterly updated concerning the commitment of Cementir on public policy and concerning any relevant trend or upcoming legislation concerning climate change or water management.

For example, Cementir representatives actively participate to the working group of CEMBUREAU (European Cement Association) about EU Taxonomy and environmental policy. The representatives must engage in a way that reflects Cementir position, according to the instructions received by the Sustainability Committee.

All the activities engaged are quarterly reported to Sustainability Committee.

In this way the Committee can evaluate the consistency of the activities performed with Cementir Sustainability Strategy.

In addition, the Group COO and Group CEO (both of them inside the Sustainability Committee) are directly involved in specific association as GCCA (Global Cement and Concrete Association) and they are informed anytime as important matter arise.

In case, any major divergences with the mentioned associations should occur, Cementir will dissociate itself from the association and related activities. In extreme situation, Cementir will resign from the association.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, but we plan to do so in the next two years

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	The Group set 25 Sustainability Targets to be achieved within 2030 and covering the priority areas for Cementir. The targets are related to the effort of Cementir for adopting all necessary measures and the most innovative technological solutions to minimise the impact of our business on the environment; creating a healthy, safe and inclusive work environment; respecting human rights and creating a constructive and transparent relationship with the local communities and business partners. Concerning water, the Group is working on reducing water impact, in particular on sites that are located in water scarce areas. Within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	Our strategy includes: - A specific Sustainability Committee dedicated to the Group's initiatives and engagement related to water management. - a Group Water Policy that provides guidance to the operating companies on the responsible management of water. - The Group Monitoring and Reporting of Water Management Guidelines provides a guidance on monitoring and reporting of the environmental performance in terms of water management. The set of parameters and indicators, defined according to the CSI/GCCA Water guidelines, are considered as minimum requirements which each operating company is exclusively responsible for enacting and implementing at each site as integral and essential part of its own environmental management system. - Specific targets for the reduction of water consumption. within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. - Water issues included in the Group risk management process. In the Group Risk Register, the tool used by the Group to identify and monitor each risk, the risk "water stress" is listed. This risk is evaluated during each session of risk process with each plant of the Group. In 2020, a comprehensive water risk assessment was carried out for all cement plant using the WRI Aqueduct. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas
Financial planning	Yes, water-related issues are integrated	5-10	Resources required to achieve our water-related objectives are integrated in our business planning. The group

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-12

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

-0.05

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

OPEX are the recurrent cost of water supply, cost for water quality testing, maintenance and permit renewals. Between 2019 and 2020, the OPEX paid by the plant did not change and we did not expect relevant changes in the next future (2021/2022). There will not be any changes in water supply in the next future (2021/2022). CAPEX. In 2020, the main capex was related to the installation of a new water treatment station-digging, a new raw water well and installation of new water tank in our Egyptian plant. Comparing to 2019, the CAPEX decreased of about 12% because in 2019, the Group implemented two CAPEX projects in two different plants. We did not expect relevant changes in the next future (2021/2022) because the group did not plan specific investments. Due to the fact that there are not any issue concerning water management, we did not expect specific investment in the next future (2021/2022)

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	In 2019, Cemntir established 2030 CO2 reduction targets. However, since this scope 1 emissions target had not been verified by the science based target initiative (SBTi), third parties (i.e. investors) were questioning the validity and correctness of the ambition. Cemntir must develop a 10 year roadmap for the CO2 reduction aligned with Well-below 2°C scenario. Cemntir defined a 10 roadmap to reduce its scope 1 and 2 emissions. In parallel, it engaged with SBTi to complete the formal target submission letter to assess the alignment of its CO2 targets against a well below 2°C scenario. In July 2021, the Science-Based Targets initiative (SBTi) validated Cemntir's targets to reduce its emissions. Cemntir commits to reduce scope 1 and scope 2 GHG emissions 25% per ton of cement by 2030 from a 2020 base year. According to SBTi, the targets are consistent with reductions required to keep warming to Well-below 2°C.

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

Yes

W7.3b

(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization's response?

	Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	IEA B2DS	Climate change is disrupting weather patterns, leading to extreme weather events, unpredictable water availability, exacerbating water scarcity. In our Group Risk Management process, water-related issues identified are physical risks such as changes in water supplies, increasing water scarcity, or threatening water access. In 2020, a comprehensive water risk assessment was again carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31 % of our total water withdrawal was sourced from plants located in water stressed areas. Through scenario modelling, the proportion of land surface in extreme drought at any one time is projected to increase (likely), in addition to a tendency for drying in continental interiors during summer, especially in the sub-tropics, low and mid-latitudes.	Our response includes: - A specific Sustainability Committee dedicated to the Group's initiatives and engagement related to water management. - a Group Water Policy that provides guidance to the operating companies on the responsible management of water. - The Group Monitoring and Reporting of Water Management Guidelines provides a guidance on monitoring and reporting of the environmental performance in terms of water management. The set of parameters and indicators, defined according the CSI/GCCA Water guidelines, are considered as minimum requirements which each operating company is exclusively responsible for enacting and implementing at each site as integral and essential part of its own environmental management system. - Specific targets for the reduction of water consumption. within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. - Water issues included in the Group risk management process. In the Group Risk Register, the tool used by the Group to identify and monitor each risk, the risk "water stress" is listed. This risk is evaluated during each session of risk process with each plant of the Group. In 2020, a comprehensive water risk assessment was carried out for all cement plant using the WRI Aqueduct. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

In 2020, the Group did not apply any internal price on water. We are currently exploring water valuation practices in order to implement internal price on water.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Business level specific targets and/or goals	Targets are monitored at the corporate level	Water is the key element for the survival of our communities and ecosystems. Access to water and sanitation are recognized as human rights. Water supply is essential for industry, including our sector, as well as agriculture and energy production. Water management is a major challenge in sustainability strategy and practices. According to our sustainability culture, we have a duty to manage and use water responsibly. In cement production, a good quality of freshwater is not material, but sufficient quantities are needed for cooling the equipment, conditioning the kiln gases and de-dusting and cleaning. So, water availability at a catchment level is important in our risk assessment as we need water in our cement production process. In 2020, a comprehensive water risk assessment was carried out for all cement plant using the WRI Aqueduct Global Water Tool. The addresses of each plant are entered into the tool and potential water risks were assessed based on the impacts of several indicators such as water stress, drought severity or seasonal changes. A high water stressed area is defined as having a baseline water stress greater than 40%. The baseline water stress measures the current level of water demanded in a local area against the average available blue water. In 2020, 31% of our total water withdrawal was sourced from plants located in water stressed areas. Reduction of water consumption in all locations is fundamental, with a focus on water stressed areas. For this reason, within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. In the water stressed area the goal is to reduce the consumption per ton of cement by 25%. The targets have been deployed per single plant.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water consumption

Level

Business

Primary motivation

Reduced environmental impact

Description of target

Within 2030, the Group will reduce the water consumption per ton of cement by 20%, comparing 2019. The water consumption will be reduced to 363 litres / ton by 2030. In 2019 the water consumption was 454 Litre / ton of cement . The target has been deployed per single plant. We selected Business as level because this target is related to the cement business of Cementir Group. As reported in W0.6a, the Group continuously assesses and monitors the water footprint in each business in order to ensure a comprehensive picture of water withdrawal, discharge, recycle and consumption. However, in the questionnaire we reported only the data related to the cement business. The current priority for the Group is the cement business that, in 2020, accounted for the 90% of the total Cementir withdrawal.

Quantitative metric

% reduction in total water consumption

Baseline year

2019

Start year

2019

Target year

2030

% of target achieved

50

Please explain

In 2019, Cementir committed to reach a water consumption of 363 litres / ton cement in its cement operations by 2030. This is a reduction of 20 % with 2019 as baseline. In 2019, the water consumption was 454 litres / ton cement In 2020, we had achieved the 50% of the mentioned target.

Target reference number

Target 2

Category of target

Water consumption

Level

Business

Primary motivation

Reduced environmental impact

Description of target

Reduction of water consumption in water stressed area

Quantitative metric

% reduction in total water consumption

Baseline year

2019

Start year

2019

Target year

2030

% of target achieved

52

Please explain

In 2019, Cementir committed to reach a water consumption of 187 litres / ton cement in water stressed area by 2030. This is a reduction of 25% with 2019 as baseline. In 2019, the water consumption, in water stressed area, was 249 litres / ton cement In 2020, we had achieved the 52% of the mentioned target. The target has been deployed for each plant located in water stressed area.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

Cementir Holding Sustainability Report 2020.pdf

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Data related to Water withdrawals reviewed by the external auditor	ISAE 3000	Limited assurance from external Auditor (PricewaterhouseCoopers) on the 2019 Sustainability Report. See pag 138 of Sustainability Report (Independent Auditor's Report on the Consolidated Non-Financial Statement). The Sustainability Report and related assurance is also available on Corporate Website https://www.cementirholding.com/sites/default/files/documenti/2021-04/Cementir%20Holding%20Sustainability%20Report%202020.pdf

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

N/A

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms