

MATERIAL  
**ISSUES**

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STAKEHOLDER  
**ENGAGEMENT**

## STAKEHOLDER ENGAGEMENT

Stakeholder Engagement is the process through which Buzzi Unicem interacts with parties wishing to know about the company's performance and with the local communities with whom the economic, social and environmental impact of our production activity is more evident. The objective of this interaction is to develop an understanding of what is truly important for the Company and our stakeholders (Materiality Matrix) and subsequently to define strategies and projects through which to provide suitable information and response.

In order to be effective, Stakeholder Engagement must be proactive, frequent and transparent. It is only by structuring a dialogue in this manner that we can ensure constructive communication and exchange of information, with the aim of aligning the Company's strategies to the expectations of the communities in which we operate. Stakeholder Engagement is the instrument through which we want to assert the quality of our operational methods, improve our credibility and earn the trust of individuals who might have expressed interest and/or concerns. The Stakeholder Engagement process represents a significant additional step by the Company toward sustainable development, by creating value over time, both within and outside Buzzi Unicem.

During the course of 2018, we followed up the three important initiatives that were presented in the previous report.

- Gradual promotion in all countries of the contents of the Stakeholder Engagement Policy for the Group and our commitment to involve, by 2022, the main stakeholders in 100% of our production sites that have a high economic, environmental and social impact.
- Promotion of the principles of the operational procedure that was developed by the parent company to approve and report on Stakeholder Engagement projects. The procedure is based on the classification of the projects over various levels, depending on the degree of involvement by Buzzi Unicem staff on these projects in terms of resources, skills and time, in addition to financial contribution.
- Progressive creation and use in all countries of a dedicated cost center for Stakeholder Engagement initiatives in order to standardize reporting at Group level.

To add to this, there are many initiatives at the individual country level, which are aligned with the principles of the Group policy. In 2018 Buzzi Unicem's program of

Stakeholder Engagement activities was implemented in 63% (up from 61% in 2017) of its cement plants in Italy, Germany, the United States, Czech Republic and Luxembourg, with a target of 100% implementation by 2022.

Moreover, in line with the best international practices, Buzzi Unicem's Sustainability Report contains details of the performance within each individual country, to facilitate disclosure to stakeholders and offer a simpler breakdown of the contribution of each country to the Group's sustainability performance.

In 2018, the new website was put up. The combination of the contents of the corporate website ([www.buzziunicem.com](http://www.buzziunicem.com)) and the parent company website ([www.buzziunicem.it](http://www.buzziunicem.it)) offers an overview of the company and its approach to sustainable development, as well as its operations and product lines.

In the interest of maximum transparency, Buzzi Unicem has developed an avenue for dialogue with the local communities and establish lasting relations. All of Buzzi Unicem's facilities are now open for visits by individuals and/or small groups. On these occasions, people can visit, in the company of technicians, all production departments and can get answers to any of their questions about the Company and the local operations. To schedule a visit, simply register using the website of the respective Group country.

Buzzi Unicem is a member of CEMBUREAU, the Brussels-based organization which represents the cement industry in Europe. The association acts as a representative for the cement industry and brings issues relating to the use of raw materials, secondary fuels and environmental protection, emissions, biodiversity and occupational health and safety to the attention of the European Union.

Starting in September 2018, Buzzi Unicem became a member of the Global Cement and Concrete Association (GCCA). The Association, which was founded in London at the start of 2018, currently is comprised of 32 leading companies in the production of cement and concrete, which combined represents more than 30% of global production capacity. The Mission of the GCCA is to interact with institutions, at the international level, and with the most significant stakeholders so that cement and concrete are recognized as the preferred construction materials for achieving sustainable development.



## EMPLOYEES

In view of the company’s interest in its employees, who are its primary “internal stakeholders”, Buzzi Unicem continuously invests in training and accident prevention initiatives, with a particular focus on safety. Furthermore, every year, Buzzi Unicem hosts the European Work Council’s meeting with the aim of improving relations between companies and worker representatives.



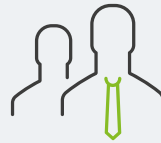
## SUPPLIERS

Buzzi Unicem has a continuous relationship with its suppliers and, thanks to a highly efficient supply chain, it creates mutual value and advantages by focusing on excellence. Suppliers are chosen on the basis of their technical and economic competitiveness, as well as their reliability and solidity. All suppliers and contractors are required to comply with Buzzi Unicem’s Code of Conduct, which stresses that all business relationships and related activities must be conducted appropriately and transparently at all times.



## CUSTOMERS

In Buzzi Unicem, the company and its customers work together in synergy to develop innovative technical solutions to respond to the demands and challenges of a constantly evolving market.



## SHAREHOLDERS

Constant shareholder relations are encouraged by means of targeted communication, such as meetings, presentations, press releases and roadshows. More details are available in the Governance section.



## LOCAL COMMUNITIES

Buzzi Unicem is fully committed to research for technical solutions that can improve its environmental impact and that can support the suitable development of local communities. Buzzi Unicem is an active member of CEMBUREAU and GCCA.



**Buzzi Unicem S.p.A.**

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