

Sustainability Report 2021

Road to Sustainability

2030



About this report

'Road to Sustainability 2030' reflects Etex's clear commitment to helping build a better, sustainable future. We work towards this vision by caring about our social and environmental impacts and developing innovative solutions for the building and construction industry. Our strategic approach towards sustainability is integrated across all divisions, with our Sustainability team actively moderating and inspiring this cross-departmental effort. Together, we are on an exciting journey towards improving sustainability in the short and long term. We know there is a long road ahead, which is why we invite all our stakeholders to support us in becoming a reference in our industry.

Based on our CSR strategy introduced in 2020, we are committed to the highest standard of transparency and accountability for the benefit of our stakeholders. This includes reporting annually on the progress we have made on sustainability material topics. We are delighted to present this second annual Sustainability Report today, 22 September 2022, to share with readers how our sustainability initiatives and actions progressed in 2021.

The report covers the sustainability activities of Etex NV for the period 1 January to 31 December 2021 and encompasses, unless otherwise stated, all legal entities as included in the group's consolidated financial statements. Etex NV is a private company

headquartered in Zaventem, Belgium (company registration number RPM: 0400.454.404). Its securities are not traded on a regulated market. In 2021, aside from our acquisitions, there were no significant changes to Etex' size, structure (including the supply chain) and ownership.

This report is the culmination of a true global team effort. We extend a special thank you to our internal task force of environment and sustainability specialists who continue to ensure the reporting process aligns with international sustainability reporting standards, as well as to all our teammates directly involved through interviews, sustainability data collection and analysis, and the review processes.

This report has been prepared in accordance with the international GRI Standards: Core option. An overview of the disclosures referenced can be found in the [GRI content index in this report](#). When trend data for previous years is shown in this report, it may have been recalculated in accordance with the GRI Standard. Any such instances or other restatements are marked and explained with a respective footnote. Such restatements do not have any effect on Etex' sustainability goals and management.

If you wish to share questions, comments or impressions about the

report, please contact us at: sustainability@etexgroup.com. This report has been published digitally to enhance accessibility and avoid paper use.

Editorial notes

The pictures shown in Etex's Sustainability Report 2021 are in line with the company's safety regulations, which align with - or in most cases, exceed - local COVID-related policies.

Disclaimers

This report has not been externally assured. However, all financial information is aligned with the company's Annual Report 2021, which has been audited by the statutory auditor PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV. We are exploring the option of external assurance for our Sustainability Report in the future.

This report contains forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-

looking statements. Etex is providing the information in this report as of this date and does not undertake any obligation to update any forward-looking statements contained in this report in light of new information, future events or otherwise. Etex disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other report or press release issued by Etex.

References to the linked GRI Standards. For more information, see the GRI content index on p. [76](#)



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Foreword



Building our Road to Sustainability 2030

GRI 102-14

Climate change and societal challenges demand sustainable stewardship from businesses, governments and the wider public. Etex's viewpoint is clear; we are an agent of change in the sustainable building sector committed to combating climate change by joining forces and focusing on the core strengths of our products. With our effective lightweight construction solutions and innovative building materials, we embrace the demand for high-quality, energy-efficient and sustainable living and working spaces.

The way Etex has adapted itself over the years has put us in a unique position. Our customers value the sustainability benefits connected with our lightweight construction solutions, as well as the contribution our products offer for the construction of greener buildings. Our success in response to market demand is visible in the more than 100 innovative products we launched in the last four years to provide our customers the best solution for their needs.

At the same time, sustainability drives our team engagement, attracts talents, sets us up as a partner of choice for our customers and builds strong relationships of trust with our investors, local communities, value chain partners and other stakeholders.

Business can make a difference

2021 was driven by our **strong sustainability ambitions**, an **intense acceleration of our innovation** as

well as advancements to **reduce climate impacts** and **give back to the communities we operate in**. Also in 2021, we posted record [financial results](#) and [our purpose to inspire ways of living](#) has been strengthened more than ever.

To guide us in our sustainability efforts, we have embarked on an ambitious **Road to Sustainability 2030**. With sustainability established as a key driver in our strategic framework, we set up an internal structure with dedicated workstreams focused on five priority areas: health, safety and well-being; decarbonisation; circularity; diversity, equity, and inclusion; and customer engagement. These offer visibility into what we aim to achieve and what we hold ourselves accountable to ([see page 7](#)).

Our goals are ambitious and in 2021 we worked hard to translate them into action plans and targets.

Moreover in 2021 we delivered on our [four strategic drivers](#) in which sustainability and innovation play

a prominent role along with engaged people, operational excellence, customer experience and commercial excellence ([see page 13](#)).

2021: A year of acceleration in sustainability

Caring for the health and safety of our teammates is our top sustainability priority. While the frequency rates of lost-time and total accidents remained stable, we are deeply saddened by the fact that in 2021, despite our best efforts, two work-related accidental fatalities occurred on our sites. Our thoughts and condolences are with the bereaved. Thorough investigations and corrective actions have been put in place and we continuously reinforced solid processes, intensive training and learning processes supported by data-powered tools. It is motivating for us to see our safety culture strengthen, and that **our safety engagement intensity score reached far beyond our set target.**



Meanwhile, COVID-19 continued to affect people's lives all over the world and we strived to carefully manage the situation. In addition, to support the mental health of our teammates, in September 2021 we sealed a partnership to offer an **employee assistance programme which is accessible 24/7** to all our teammates in their local languages. Regarding our overall work environment, we are motivated by the 2021 survey results which showed that through our efforts we achieved an **86% employee engagement rate across Etex**, up 15% on 2018 and 6% above the manufacturing industry norm.

On the environmental side, in 2021 we firmly prioritised activities that reduce climate impacts. We greatly expanded our transition to obtaining electricity from renewable sources, including most of our Latin-America based operations which resulted in the **avoidance of the equivalent of 110,084 tonnes of CO₂ group-wide related to our electricity use**. We proudly increased the percentage of our worldwide **purchased electricity from renewable sources to 82%**. Additionally, improvements in feeding production waste back into the production process and other successful activities led to a **significant reduction in the amount of total waste generated**, avoiding 46,051 tonnes.

2021 was also marked by innovation records. Our solutions where a positive contribution to sustainability is the key feature, made up 75% of our innovation projects. The Fibre Cement (FC) Recycling project for instance that was initiated during 2021 is aimed at maximising waste recuperation as part of the fibre cement production process and targets to help save natural resources and reduce road transport. The project's

objective is to convert 10% to 15% of fibre cement virgin raw material to secondary recycled raw material.

In our communities we also made **big strides towards supporting people in need**, by supporting quality social houses or community buildings in different regions across the world, young people's education as a basis for a better life, and numerous other social projects.

Etex also monitored its environmental, social and governance (ESG) risk exposure. In 2021, **our rating of 18.1 out of 100 indicates our low-risk exposure and favourable ranking amongst peers.** This has enhanced our ability to secure capital through sustainability-linked loans, where the interest margin is coupled to the borrower's fulfilment of environmental, social and governance criteria. Additionally, in its most recent business sustainability assessment as a supplier in 2021, Etex received a **silver medal from EcoVadis in recognition of its best-in-class sustainability management.** The silver medal places Etex in the **top 25%** of all companies evaluated by EcoVadis.

This is only the beginning

2021 has been a pivotal year on sustainability for Etex. The goals we set in the beginning of the year were followed by **strong planning, resource allocation and governance.**

To achieve our decarbonisation targets, we started a **groupwide decarbonisation and energy strategy project** which will sharpen our mid-term and long-term initiatives with a strong focus on innovation in equipment, processes and product portfolio. Also, our energy experts are investigating opportunities

to **use alternatives to fossil fuels in combination with heat-storage solutions.** Additionally, we mapped out a portfolio of measures focusing on maximising the opportunities for a reduction of the energy usage during production via product design and formulation.

Circularity has gained momentum through increased market interest and the development of new technologies. We look forward to seeing our current plans being implemented and **increase our products' post-consumer recycled content and reduce our waste footprint and unnecessary packaging.** We work towards **maximising circularity benefits also in the lifecycle of buildings** through our focus on lightweight construction. This offers great potential for de-construction in a way that allows for the re-use of many of a buildings' modular components, as well as the separation of materials in a way that eases their recycling.

On the topic of diversity, equity and inclusion we are excited about the plan we have set up to **progress towards a more equal gender representation** throughout the different levels of the organisation and to identify potential barriers and opportunities in order to accelerate the pace of change.

In health and safety, in 2022 and beyond, we will **strengthen the measures put in place throughout 2021.** For example, we have set up a HIRA Taskforce to ensure we continue to improve and will equip our workers at all levels with the tools and training that are most relevant for them.

The success of 2021 confirms our ambition of enhancing the sustainability value that our product portfolio offers and disrupting the market with solutions firmly based on

lightweight construction technologies. **In 2022, we boldly continued this strategy and added a fifth technology through acquiring URSA.** This thermal and acoustic insulation expert provides proven, workable solutions with the strongest sustainability performance overall compared to other insulation materials. URSA is the European leader in extruded polystyrene (XPS) and features among the top three for glass mineral wool, with twelve production sites in total.

At the same time, we acknowledge the challenges we face. For one, **our environmental or social responsibility demands swift reaction to events such as the war in Ukraine.** Etex has around 250 teammates who live and work in the country. Some belong to our office in Kiev

“The success of 2021 confirms our ambition of enhancing the sustainability value that our product portfolio offers and disrupting the market with solutions firmly based on lightweight construction technologies.”

and the large majority of our Ukrainian colleagues are located at our plasterboard factory and gypsum quarry in Bakhmut (Donetsk Oblast). Given the tragic circumstances, we stopped our Ukrainian business activities shortly after the start of the war. We focused on **concrete actions to provide support to our people based in Ukraine.** This included the setup of contact points at the Polish and Romanian border to help teammates and their families get to a safe place, receive financial support and donations, and support daily contacts with our teammates through a specific communication channel.

We express our admiration for the team spirit that our teammates showed. But also their passion for excellence and leadership which can be seen in

their daily efforts that fill us with pride. In this regard we also highly value our stakeholders and partners who inspire and challenge us, allow us to join forces to find new and better solutions that actively help build a sustainable future with inspirational ways of living.

Our reflections in this foreword are only a glimpse of our 2021 sustainability record and ongoing ambitions, and we hope our readers will enjoy this report and wish to learn more.

Bernard Delvaux, CEO of Etex, and the Etex Sustainability Team



OUR DAILY GOALS



Health, safety and well-being

- 0 fatalities
- 0 harm
- 0 burnouts




GOALS FOR 2025




Customer engagement

Build a **sustainable roadmap per product**





Diversity, equity and inclusion

- Cover all teammates by **diversity, equity and inclusion policies, procedures and practices**
- **Train all teammates** on diversity, equity and inclusion
- **Close the gender pay gap**





GOALS FOR 2030




Decarbonisation

Reduce greenhouse gas emissions (intensity of scopes 1 and 2) by **35%**¹

Circularity

- Use **more than 20% of circular input as raw material**¹
- **Zero waste to landfill**
- Use **100% recycled packaging material** and reduce plastic packaging with **20%**¹
- Offer a **take back service** of our product portfolio in **80% of our European countries**
- Dedicate **50%** of our innovation resources to **sustainability**



¹ Compared to the 2018 baseline.

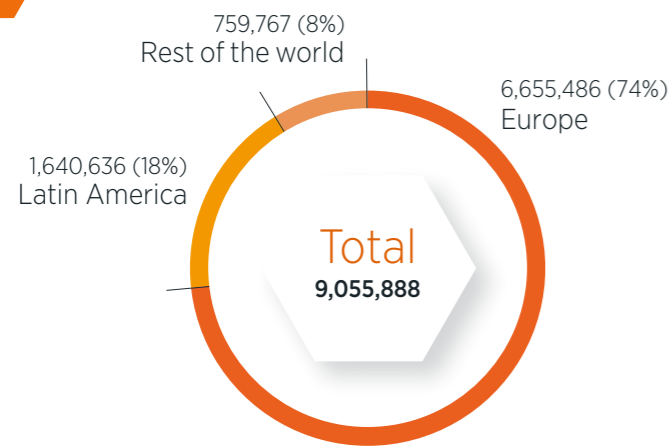


Embedding
sustainability
into our identity

Introducing Etex

With experience of more than a century in building materials and our expertise in offsite construction, we at Etex continue to improve people's quality of living with ever more innovative building materials and solutions designed with sustainability in mind. As a global company, our driver is creating value for our teammates, customers and end users, local communities, partners and shareholders.

Tonnes of products sold in 2021¹



¹ The following entities are excluded: Siniat Ukraine, Promat Japan and Promat India. Promat US and Promat Middle East are included for the total year 2021. Etex Australia is included only for two months (November and December 2021).

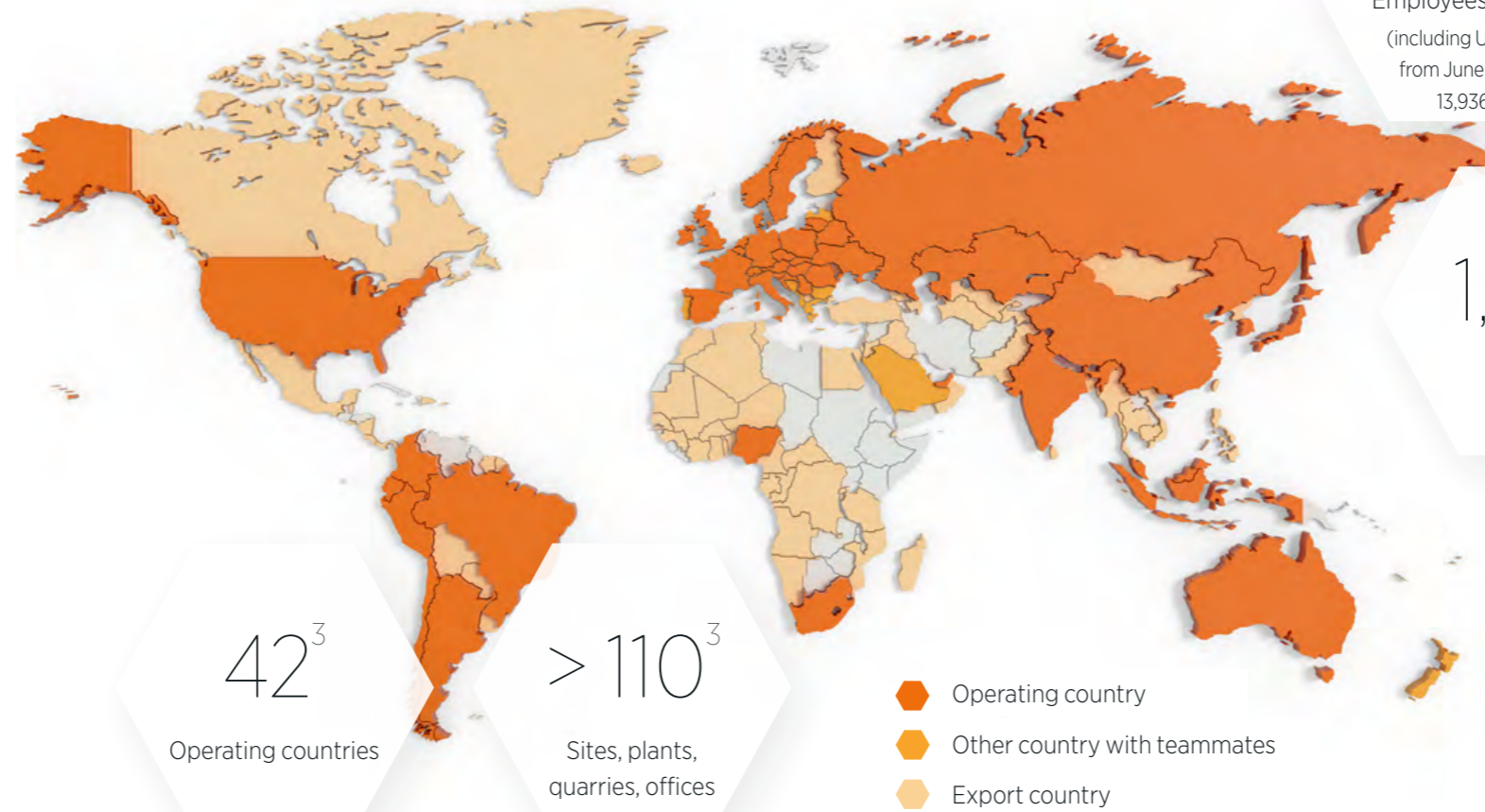
Our three values

GRI 102-16



Etex at a glance

GRI 102-4 102-6 102-7 401-1



12,214

Employees in 2021
(including URSA as from June 2022: 13,936)

13.2%²

Employee turnover rate in 2021

1,237¹

New hires in 2021

42³

Operating countries

> 110³

Sites, plants, quarries, offices

¹ 620 employees joined the group following acquisitions and 142 employees left following the closure of three companies.
² For comparison reasons, this rate excludes the teammates of the companies acquired in 2021. The rate has been calculated as follows: # hires + # terminations / 2 / [# employees as of 01/01/2021].
³ The locations where our products and solutions are offered, as well as our countries of operation, can be found in our Annual Report 2021, pp. 15 and 95.



Key figures of 2021

GRI 102-7

Financial performance

2,972

EUR million

Revenue

570

EUR million

Recurring operating cash flow (REBITDA)

268

EUR million

Net recurring profit (Group share)

Safety

2.9

Total accident frequency rate¹

1.4

Frequency rate of lost-time accidents²

0.37

Gravity rate of accidents³

¹ Frequency of lost-time and medical aid accidents per one million hours worked.
² Number of lost-time accidents per one million hours worked.
³ Level of absenteeism after an accident. The higher the rate, the more severe the accident.



Our five technologies



1

Gypsum

Mixture of gypsum, plaster and other materials that is spread onto high-quality paper, with a backing of paper applied later. For internal and external applications.



2

Fibre cement

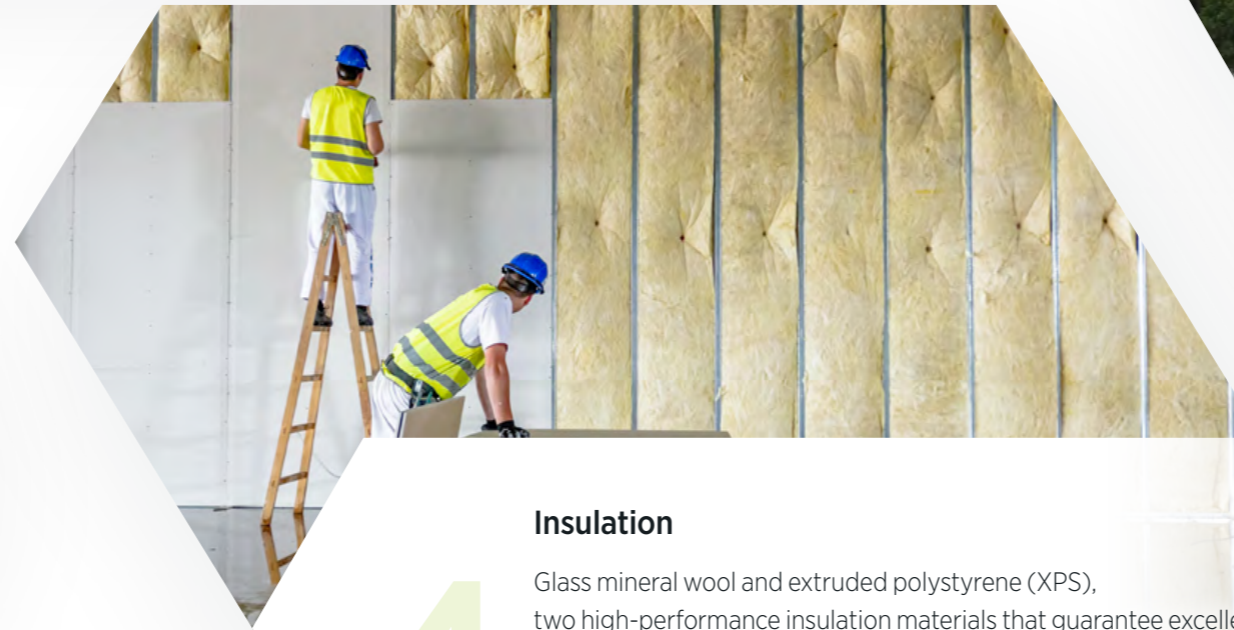
Cladding and façade coverings for commercial and residential applications, corrugated sheets for agricultural applications and fibre cement materials for residential terraces and decks.



Passive fire protection and high-performance insulation

Fire-stopping boards, paints, sprays and passive fire protection systems for vehicles, homes, industrial facilities, construction and more.

3



4

Insulation

Glass mineral wool and extruded polystyrene (XPS), two high-performance insulation materials that guarantee excellent insulation quality for building envelopes, internal partitions, floors, ceilings and air conditioning ducts.



5

Systems and solutions

High-precision, comprehensive wood and steel framing technology for buildings and houses, rapidly assembled on site.

Five divisions forming ONE Etex - Sustainability highlights in 2021 GRI102-2 102-6

We are a global manufacturer of building and construction materials, delivering specialist solutions for the building industry, including high-performance thermal and acoustic insulation, exterior materials, and lightweight modular solutions through our five¹ divisions governed by the same purpose of ‘Inspiring ways of living’. 2021 was a pivotal year for our sustainability agenda across all of our business segments, as highlighted by our Heads of Division below.

¹ On 11 January 2022, Etex announced the acquisition of thermal and acoustic insulation expert URSA. Completed in June 2022, this operation led to the incorporation of URSA as a separate division dedicated to insulation activities. Etex’s Sustainability Report will reflect this new structure as of its 2022 edition.

Building Performance

Lightweight plasterboards and fibre cement boards, passive fire protection, high-temperature applications and intumescent seals, for use in residential, sports and leisure, healthcare, hospitality, offices, education and tunnels.



Neil Ash,
Head of Division

In 2021, Building Performance became a leader in the industry in terms of recycled content in some European markets. We also finalised energy reduction plans in all our plants. We are excited about our future, which includes the phasing out of production waste, reducing unnecessary packaging, increasing the levels of recycled content in our boards and reducing the energy required to manufacture and distribute our products. In addition we will continue to focus on promoting plasterboard as a lightweight sustainable construction solution.

Exteriors

Provider of innovative, durable, high-performance and smart fibre cement exterior materials with low environmental impact for architectural, residential and agricultural projects.



Michael Fenlon,
Head of Division

2021 has been a busy year in which we geared up to minimise our environmental product footprint. We made significant progress in waste management and energy reduction. Together with partners, we validated an industrial method to recycle fibre cement and we are looking now into scaling this technology. Moreover, for our Equitone products we made detailed and transparent product environmental footprint information available. Advancing on all of these fronts means 2022 will be an exciting year for us.

Insulation

Thermal and acoustic insulation expert, a leader in the field of glass mineral wool and extruded polystyrene (XPS) insulation. Offers an extensive range of insulation applications for building envelopes as well as internal partitions and ceilings.



Jochen Friedrichs,
Head of Division

URSA, which joined Etex in June 2022, offers an extensive range of insulation applications for building envelopes as well as internal partitions and ceilings. URSA shares many of Etex’s values, including sustainability, business model efficiency and strong and committed management and teams. URSA’s products and solutions aim to tackle some of the megatrends impacting our world, in particular global warming and resource scarcity.

Industry

Leading the way with engineering expertise in high-performance thermal and acoustic insulation and passive fire protection solutions for the construction, industrial, transportation and energy sectors, we make our customers’ processes and end products safer, more efficient and sustainable.



Tanguy Vanderborght,
Head of Division

In 2021, we introduced new products and improved existing products that are lighter, boasting improved performance and in some cases fully-recyclable. These products are designed to make our customers’ products and applications lighter, safer and more sustainable. We also developed Promat offerings for sustainable markets, including for fuel cells, end of life batteries and battery recycling. We are developing tools that show the impact of our solutions, particularly around energy and CO₂ reduction. The coming years will be characterized by Promat solutions that are increasingly sustainable, enabling our customers’ markets to become more sustainable.

New Ways

Shaping the future of housing and building construction by offering high-tech, lightweight, factory-assembled panel and modular offsite solutions based on timber and steel framing and engineering consultancy.



Patrick Balemans,
Head of Division

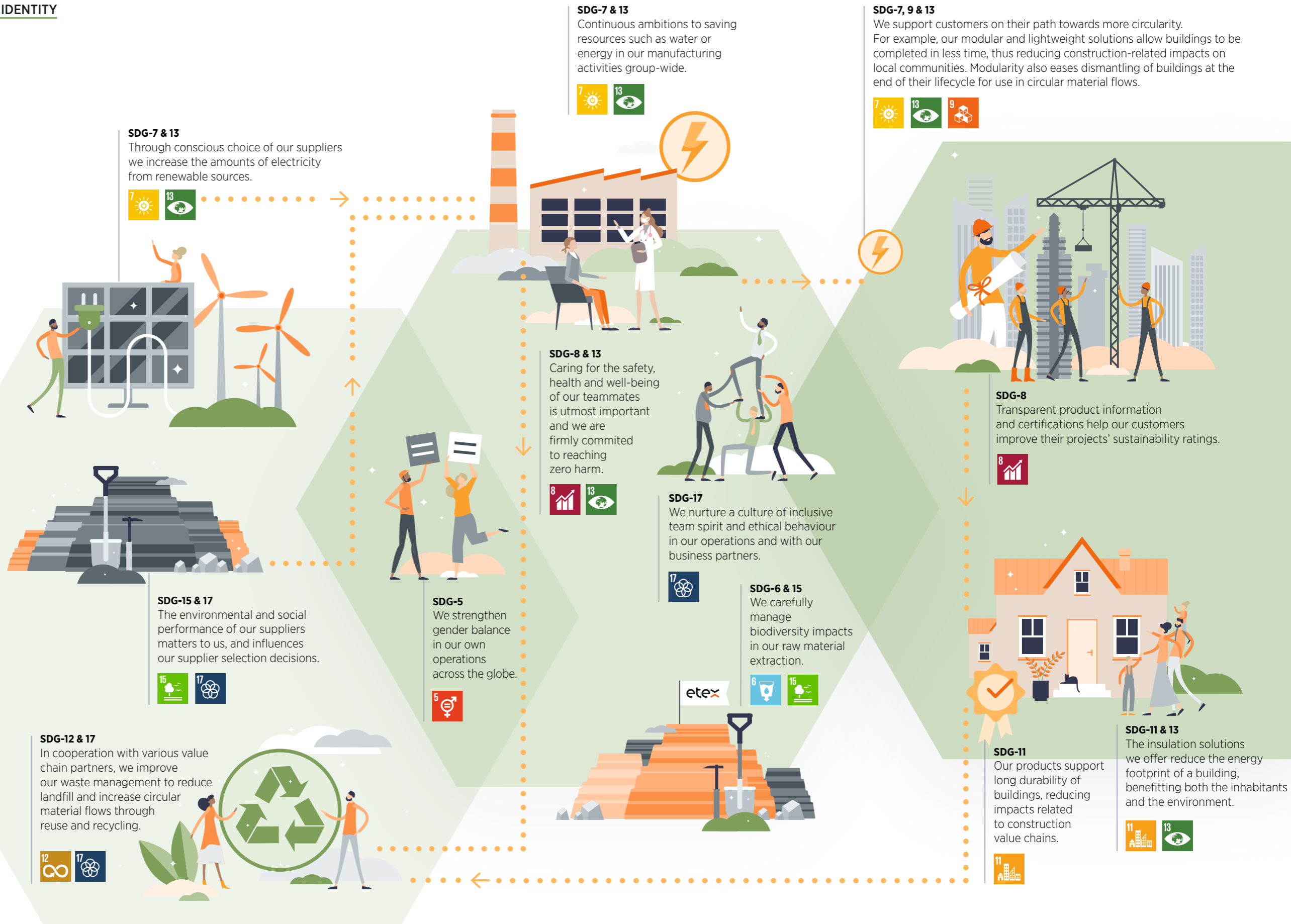
2021 marked a year of sustainability successes. For example, we improved our E-loft houses’ CO₂ footprint so that it not only meets the requirements of the new French regulation RE2020 set for 2022, but already exceed the requirements for 2025. In the UK, based on our clients’ needs, we added environmental product declarations and sustainability certifications for our core solutions. We are looking forward to continue to promote sustainability synergy effects through integrating and bundling the sustainability features of Etex’ different products and solutions for lightweight and modular projects.



Etex's opportunities for addressing impacts across the value chain

GRI 102-9 102-15

As part of the construction industry value chain, we depend on raw materials, energy, water and other ecosystem services. By design, the industry has a significant environmental footprint, for example in terms of materials use. At the same time, social considerations matter along the value chain. As a proactive partner in the value chain, we strive for continuous improvement, inspire our partners through our social and environmental performance and collaborate where we can achieve more together. The illustration on this page shows some examples of our sustainability activities.



SDG-7 & 13
Through conscious choice of our suppliers we increase the amounts of electricity from renewable sources.



SDG-7 & 13
Continuous ambitions to saving resources such as water or energy in our manufacturing activities group-wide.



SDG-7, 9 & 13
We support customers on their path towards more circularity. For example, our modular and lightweight solutions allow buildings to be completed in less time, thus reducing construction-related impacts on local communities. Modularity also eases dismantling of buildings at the end of their lifecycle for use in circular material flows.



SDG-15 & 17
The environmental and social performance of our suppliers matters to us, and influences our supplier selection decisions.



SDG-8 & 13
Caring for the safety, health and well-being of our teammates is utmost important and we are firmly committed to reaching zero harm.



SDG-17
We nurture a culture of inclusive team spirit and ethical behaviour in our operations and with our business partners.



SDG-6 & 15
We carefully manage biodiversity impacts in our raw material extraction.



SDG-12 & 17
In cooperation with various value chain partners, we improve our waste management to reduce landfill and increase circular material flows through reuse and recycling.



SDG-5
We strengthen gender balance in our own operations across the globe.



SDG-8
Transparent product information and certifications help our customers improve their projects' sustainability ratings.



SDG-11
Our products support long durability of buildings, reducing impacts related to construction value chains.



SDG-11 & 13
The insulation solutions we offer reduce the energy footprint of a building, benefitting both the inhabitants and the environment.



Upstream

Etex own operations

Downstream

Our strategic focus on sustainability

GRI 102-16

We have come a long way, from approaching sustainability from a compliance perspective years back to **driving sustainability as a guiding compass of business transformation**,

with concrete objectives that reflect our ambition. **Today, sustainability and innovation are integral to our business strategy**, which aims to offer building solutions that will serve the evolving needs of people.


Our strategic framework (see below) guided by our purpose is directing Etex to foster stronger, closer ties with its


customers, and embrace sustainability and innovation as a driver of success. It encourages us to improve our processes and products while committing to safety in the workplace. It drives us to create a safe and inclusive environment where all teammates can develop their expertise within innovative, supportive teams.

Our four strategic drivers and the unique business attributes of Etex, enable us to increase opportunities for our group, its teammates and sustainability.


Etex is uniquely positioned to make a difference



Strategic position in lightweight construction solutions


Ability to adapt and diversify


Directed by sound purpose and values


Outstanding innovation record


Sound financial structure


Portfolio offering tangible contributions to sustainability and climate change


Sustainability strongly embedded in the strategy

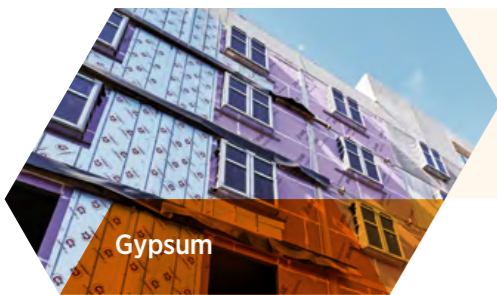
Our teammates are the starting point of everything we do, guided daily by shared values and leadership principles. We encourage them to develop their full potential and we welcome new talent.

As manufacturers in heart and soul we focus on continuous improvement and safety. We ensure that our factories are future-proof to meet the needs of the world with high-quality solutions.

We are deeply committed to our customers and foster strong ties with partners. We enhance our commercial effectiveness by harmonising business models across all markets and improving digital solutions.

Our construction solutions are designed to be sustainable at their core yet we take responsibility to innovate while reducing our footprint and integrating circularity wherever we can. We create a safe environment where all teammates feel included.

We lead the way in 5 TECHNOLOGIES



Supported by 4 DRIVERS

Engaged people



Operational excellence



Customer experience and Commercial excellence



Sustainability and Innovation



Transformation that has an impact

With a track record spanning over a century, Etex has proven its ability to adapt and diversify. With determination and through strategic acquisitions, **every move helped Etex to strengthen its position of sustainability leverage and growth.** From carving out our

plastics division in 2003, towards becoming the owner of Siniat, with a leading position in Europe and Latin America, in 2011, then exiting the ceramic business in 2016 and the clay and concrete roof tile business in 2019-2020, Etex has proven its ability to meet evolving customer demands and respond to the megatrends the world faces.

Four years ago, Etex made the strategic decision to become the reference in lightweight and sustainable building solutions. A shift that included the acquisition of passive fire protection specialist FSi Limited in 2020, the creation of the New Ways division to spearhead Etex's activities in offsite building solutions, with four companies acquired in 2021, and finally the

acquisition of a leading player in the Australian plasterboard market in 2021. URSA, a European leader in insulation solutions is the latest acquisition of Etex (completed in June 2022), reaffirming our strategic shift to becoming a more sustainable company.

Sustainability is Etex's third recent large strategic shift

1905-1950

Geographic expansion



- Eternit expands across **Europe** and invests in overseas export markets in **Latin America**
- The building sector revives after WW2 and Eternit opens a fibre cement plant in **Africa**
- **Asia** follows with a first fibre cement plant on the continent

As of 1951

Technological diversification



- Vinyl floors
- Plasterboards
- Concrete tiles
- Plastics
- Passive fire protection
- Ceramic floor and wall tiles
- Clay tiles

2003

Split of the group into two entities



- Etex retaining all building material activities
- Carve-out of the plastics activity, managed by newly created company Aliaxis

2018-2022

Lightweight construction focus



- Exiting **clay and concrete tiles**
- Acquiring **plasterboard** assets in Europe and Australia
- Establishing New Ways Division driving our **modular and offsite** ambitions, with four acquisitions in 2021
- Expanding in **passive fire protection**
- Acquiring **glass wool and XPS insulation** assets in Europe

As of 2020

Sustainability transformation



- Etex is a signatory of the **United Nations Global Compact (UNGC)**
- Commitment to support the UN's 17 **Sustainable Development Goals (SDGs)** and selection of 10 which are most relevant for Etex
- First-ever **Sustainability Report (2021)**
- Defining **five priority areas**
- Communication on clear goals as part of the **'Road to Sustainability 2030'**

Etex acquisitions in 2021 and 2022

GRI 102-10

Major acquisitions in fire protection, plasterboard, offsite construction, engineering and recently in insulation solutions have allowed Etex to position itself as an ambitious and future-oriented player in the building materials and solutions industry, in line with its purpose 'Inspiring ways of living'. In 2021 we continued to sharpen our focus to ensure Etex's position as a strong and future-proof company. Our latest moves are proof of that:

January 2021: e-loft

February 2021: Major plasterboard business in Australia

April 2021: Evolution Innovation

July 2021: sigmat

August 2021: sigmat

June 2022: URSA

More information:
www.etexgroup.com/en/news/

Using our key product features to respond to the climate crisis

GRI 102-15

One of the biggest challenges we face today is climate change. The IPCC's Sixth Assessment Report concludes that each of the last four decades has been successively warmer than any decade that preceded it since 1850¹. Also, the Report underlines that human activity has warmed the climate at unprecedented rates and that we need to rapidly reduce greenhouse gas emissions. The Paris Agreement's objective of limiting temperature increases to well below 2°C requires long-term ambitious planning but also short-term action by all involved parties.

To curb this negative trend, a wide range of leading players, including countries, financial markets, businesses (small to big) and NGOs have taken pledges towards a 'net zero' economy. However, industry and society have not yet been able to catch up with the climate objectives. **The building and construction sector's contribution to**

GHG (greenhouse gas) emissions still accounts for: 28% of global emissions; 36% in the EU²; and 40% in the United States³. In the EU, around 75% of buildings are energy-inefficient, and most of them will still be in use in 2050⁴. Policy makers and legislation are pointing toward energy-efficient building and prioritising the existing building stock. Emerging regulations are put in place to incentivise modern methods of construction, enabling more standardisation across the building process.

Etex's viewpoint is clear: **we are an agent of change in the sustainable building sector committed to combating climate change by joining forces and focusing on the core strengths of our products.** We are the innovative leader in **durable fibre cement solutions** with a lifetime of more than 50 years. The longevity of our fibre cement material helps the

climate by conserving resources and reducing waste and related emissions, while it is typically installed with reversible fixings, making the product ideal in a circular context. **We have set the standard in fire protection and insulation materials** that safeguard against fires (number and severity) and therefore related pollution. At the same time, our insulation systems are tested and certified to the highest industry standards, making them extremely safe and reliable. As a lightweight building material, **plasterboard has a low carbon footprint** in terms of transportation and the construction process, **and high recyclability potential** due to its main raw material being gypsum. But we are moving forward to do much more: **modular building solutions, prefabricated units and dry construction and insulation materials** are the solutions we offer to the world to face climate challenges.





Next to shaping a climate-conscious product portfolio, we remain ambitious with our plans to **reduce the carbon footprint of our operational activities** – the most carbon-intensive part of our value chain. At the same time, we remain vigilant and proactive when it comes to **responsible use of raw materials, respecting human rights and caring for our people.** More information on these topics can be found in the following chapters of this report.



Effective lightweight construction solutions: our answer to meeting the challenges of a changing world

GRI 102-2

Etex's lightweight construction solutions offer the potential to reduce raw material and energy use and emission levels, contributing to long-term circularity through deconstruction, reuse and recycling.

-  **A complete construction method**
Combining interior building boards and exterior cladding with frames.
-  **Efficient**
Using the Building Information Model (BIM) and automation, our efforts improve work and costefficiency.
-  **Eco-friendly**
Our solutions do not require water, they are easy to maintain and reduce waste and resource consumption.
-  **Safe, affordable, beautiful**
Our solutions combine sustainability with beauty and comfort.



¹ IPCC, Climate change 2021, The physical science basis report, 2021, Sixth Assessment Report (ipcc.ch).

² https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-lut-17_en.

³ Environmental and Energy Study Institute, 2020, <https://www.eesi.org/topics/built-infrastructure/description>.

⁴ In focus: Energy efficiency in buildings, https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-lut-17_en.

How innovation and a pioneering spirit boost business and sustainability

By harnessing our expertise we can develop new products and processes to respond to the global climate crisis and the increasing needs of our customers.

We firmly believe that innovation is an essential lever for our business growth and a major gateway for us to become a more sustainable business through rethinking and innovating not only the ways in which we manufacture, but also new sustainability features of products and solutions that we offer.

For us at Etex, **successful innovation requires a holistic understanding**

of the customers' needs and behaviours before developing new products or improving existing ones. We do this by extensive market research and detailed assessments. Only through this process can we develop solutions that fit our customers' needs like a glove.

Our Innovation & Technology Centres (ITC) guide us by highlighting the best practices for generating ideas and assessing their viability. This is followed by carrying out the concept development, testing the product and ultimately testing the market.

Innovation with market potential cannot happen without cross-functional collaboration. Our five Etex Innovation & Technology Centres across Europe innovate to anticipate customers' needs. They explore new technological fields and how to safeguard the future of our planet, which is all part of our DNA.

Our success is visible in the **more than hundred products we launched in the last four years.** Our R&D team is professionally curious,



- 1 Tisselt, Belgium
- 2 Kapelle-op-den Bos, Belgium
- 3 Heidelberg, Germany
- 4 Avignon, France
- 5 Linz, Austria

5 Innovation & technology Centres (ITC) working together, with a unique portfolio of technologies

- Lightweight construction
- Compounds and sprays
- Insulation & passive fire protection
- Coatings, adhesives and intumescent seals
- Building boards and systems
- Roofing, decking and façades



challenging themselves to explore new ways of building. One example is the HIPPO project where the R&D team explores the integration of artificial intelligence to reduce production steps, gain more control and increase product efficiency. On top of this, our passionate team spirit leads to the development of smart solutions. Solidtex XT is an obvious example of it, as we succeeded in combining extreme mechanical performance and weather resistance in a single product.

In terms of environmental considerations, our R&D department's current focus is on decarbonisation and circular economy solutions. For instance, **we pursue practical and realistic solutions that deliver superior performance, yet won't require more resources or energy than needed.**

In 2021, solutions where a positive contribution to sustainability is the key feature made up **75% of our innovation projects.**

This contribution relates to one or more of the following:

1. product footprint reductions in the value chain and production processes;
2. development of products and solutions that are, in their use or after-life phase, more environmentally friendly than existing solutions widely available;
3. solutions that improve health and safety features.

EMBEDDING SUSTAINABILITY INTO OUR IDENTITY

For all our R&D projects, **we take a future-proof approach and carry out a sustainability assessment**, considering lifecycle evaluations, the impact on future generations and sustainability-related regulatory trends.

To help our customers understand the environmental performance of our products in a comparable way, **we have also increased our offer of environmental product declarations (EPD)** in accordance with ISO 14025. In 2021, 56% of our revenue in the EU was based on products which were covered by EPDs. This goes hand in hand with our customer

centricity approach where we are always tuned in to our customers' evolving needs and their experiences. This engagement inspires our innovation activity to meet new and upcoming demands.

Over recent years, we have succeeded in offering our customers ever more effective and sustainable lightweight construction solutions. In 2021 we advanced the "Sahara" project, with the aim of reducing CO₂ in the production of cement-based products with 20%. We also launched several new innovative products, such as EasyBoard, BaseBoard and DEFENTEX®.



DEFENTEX® plasterboard application

DEFENTEX® launched in France

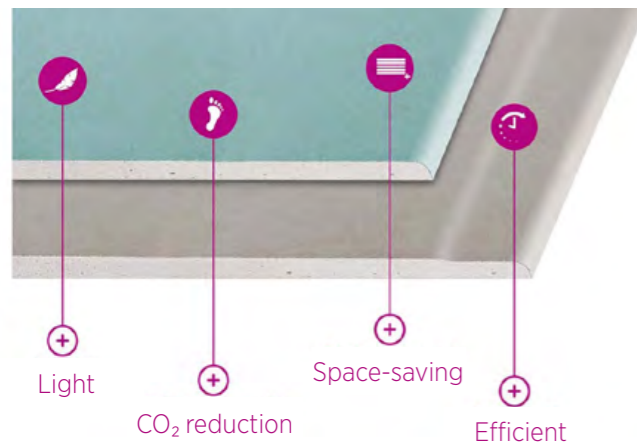
Our DEFENTEX® exterior plasterboards outperform competitive products through a patented technology and are particularly suited for green buildings. The technology can extend a building's lifetime because of how it allows interior humidity to pass out through the walls and is termite resistant. Moreover, our product allows to replace masonry by wood and lightweight construction systems. It can withstand most demanding weather conditions and compared to other materials like OSB, it does not need any other weather protection like rain membranes.

EasyBoard launched in Germany and BaseBoard in South Africa

Our EasyBoard plasterboard has a 11% lower carbon footprint related to production compared to standard boards, certified by technical inspection association TÜV. The EasyBoard needs less water, results in less CO₂ emissions

and needs less raw material for its production. It is available in standard version and in moisture resistant version. The lighter weight of the board also allows for CO₂ reductions in transport, and is more ergonomic for installers.

In South Africa, we launched the BaseBoard, which features the same environmental advantages as the EasyBoard.



EasyBoard sustainable features

The DEFENTEX® panel is an exceptional product combining adaptability and robustness. My choice for DEFENTEX® was based on the fact that the product has a much better resistance to wind bracing than other panels on the market due to its innovative technology of high density crystallisation (HDC). Also, it is particularly ideal for wood construction due to two functionalities: rain screen and vapor permeability. I was really happy to find such an alternative to the standard racking solution.

Jean-Claude Baudin,
CEO of Charpente Cenomane (France),
one of our French customers

EMBEDDING SUSTAINABILITY INTO OUR IDENTITY

Another innovation project, our Fibre Cement Recycling project targets to maximise waste recuperation as part of the fibre cement production process and aims to help save natural resources and reduce road transport. The objective of the project is to convert 10% to 15% of fibre cement virgin raw material to secondary recycled raw material. The reuse of FC waste will not only reduce our primary raw material consumption, but also contribute to reduce the CO₂ impact of the product as this recycled material requires substantially less processing and transportation than the virgin product it substitutes.

Our multidisciplinary expertise allows Etex to bring mature solutions onto the market to deliver real peace of mind for our customers. This is all possible thanks to our state-of-the-art facilities in which Etex has invested significantly, and will continue to do so, enabling us to strengthen our leadership position as an innovator.

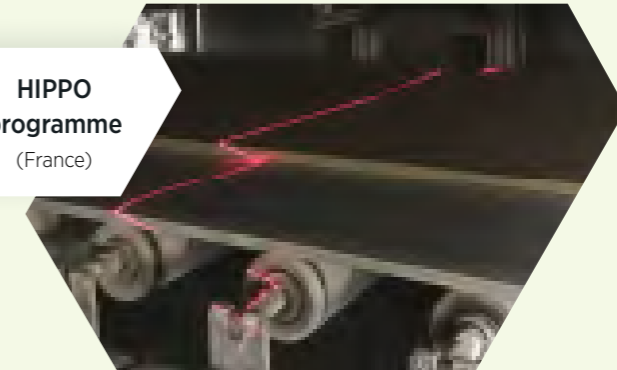
A few examples of sustainable solutions recently developed by our R&D teams

Fibre cement recycling
(Belgium)



- 10% to 15% conversion of fibre cement waste into first grade raw material
- 10% to 15% reduction of cement and sand as raw material
- Less fuel consumption and thus CO₂ emission following the reduction of transportation of waste
- Less raw material required, thus less CO₂ emissions

HIPPO programme
(France)



- Better quality levels through artificial intelligence
- Increased efficiency thanks to more stability and more control over other parameters
- Reduction of waste and claims thanks to quality consistency

Solidtex ISB
(coming soon in Italy)



- Etex exclusive technology - high density crystallisation (HDC)
- Evolution toward structural boards
- Replacement of OSB boards with multiple benefits
- Great solution for sustainable buildings, as boards contain more than 35% recycled content

DEFENTEX®
(France)



- Etex exclusive technology
- Efficient envelope solution in gypsum boards
- Outstanding racking performance

Sahara project
(Belgium)



- Exploring new process technologies
- Benchmarking new processes technologies to save water and optimise quality

Solidtex Outdoor XT
(coming soon in Italy)



- Etex exclusive technology
- Facing-ready gypsum board (tiles, brick facing/panels)
- Economical in use
- Great solution for sustainable buildings, boards contain more than 35% recycled content

Using internationally agreed reference points as our signpost

GRI 102-12

To sustain our unique position and demonstrate our alignment with global sustainability ambitions that aim to shape a sustainable future, **in 2020 Etex became a signatory of the United Nations Global Compact (UNGC)** for sustainable and responsible business practices. As a global citizen, **Etex also committed to supporting the United Nations 17 Sustainable Development Goals (SDGs)** by implementing concrete projects and initiatives.

- | | |
|---|---|
| 1 No poverty | 10 Reduced inequalities |
| 2 Zero hunger | 11 Sustainable cities and communities |
| 3 Good health and well-being | 12 Responsible consumption and production |
| 4 Quality education | 13 Climate action |
| 5 Gender equality | 14 Life below water |
| 6 Clean water and sanitation | 15 Life on land |
| 7 Affordable and clean energy | 16 Peace, justice and strong institutions |
| 8 Decent work and economic growth | 17 Partnerships for the goals |
| 9 Industry, innovation and infrastructure | |



Furthermore, we use proven instruments like well-respected business sustainability ratings and GRI reporting standards to **assess our overall sustainability status and progress, and offer transparency to all stakeholders.** We publish an annual [Communication on Progress](#) and Sustainability Report and seek permanent dialogue with our stakeholders.

External assessments help us to monitor our **Environmental, Social and Governance (ESG) risk exposure.** **In 2021, our rating of 18.1 out of 100 indicates that we have a low risk exposure and are ranked favourably amongst our peers in the top 10% of our industry.** The fact that we could lower the score even more compared to the previous year's rating of 18.5, while at the same time the rating agency increased the list of criteria and requirements, is highly motivating for us. The positive trend continues to benefit our ability to acquire capital through sustainability-linked loans where the interest margin is linked to the borrower's

fulfilment of environmental, social and governance criteria. In its most recent business sustainability assessment as a supplier in 2021, **Etex received a silver medal from EcoVadis in recognition of its best-in-class sustainability management.** EcoVadis is the world's largest and most trusted provider of business sustainability ratings from a procurement perspective. Every year it assesses and monitors sustainability practices for more than 75,000 businesses worldwide in terms of sustainability and business procurement practices. **The silver medal places Etex in the top 25% of all companies evaluated by EcoVadis.**



Through our dedicated efforts over the past four years, we laid the foundation for a transparent sustainability journey.



How we got there

Focused efforts to achieve the Sustainable Development Goals

The SDGs have been used as a compass to measure and communicate progress as well as to identify and quantify our impact. To succeed in this ambitious journey, focus is needed, therefore we asked ourselves where we as Etex have the best leverage to contribute to achieving the SDGs, and which SDGs we should prioritise. Based on a consultation with our Senior Leaders in all divisions and regions, **we selected ten SDGs, as the ones which are most relevant for Etex (see right).**

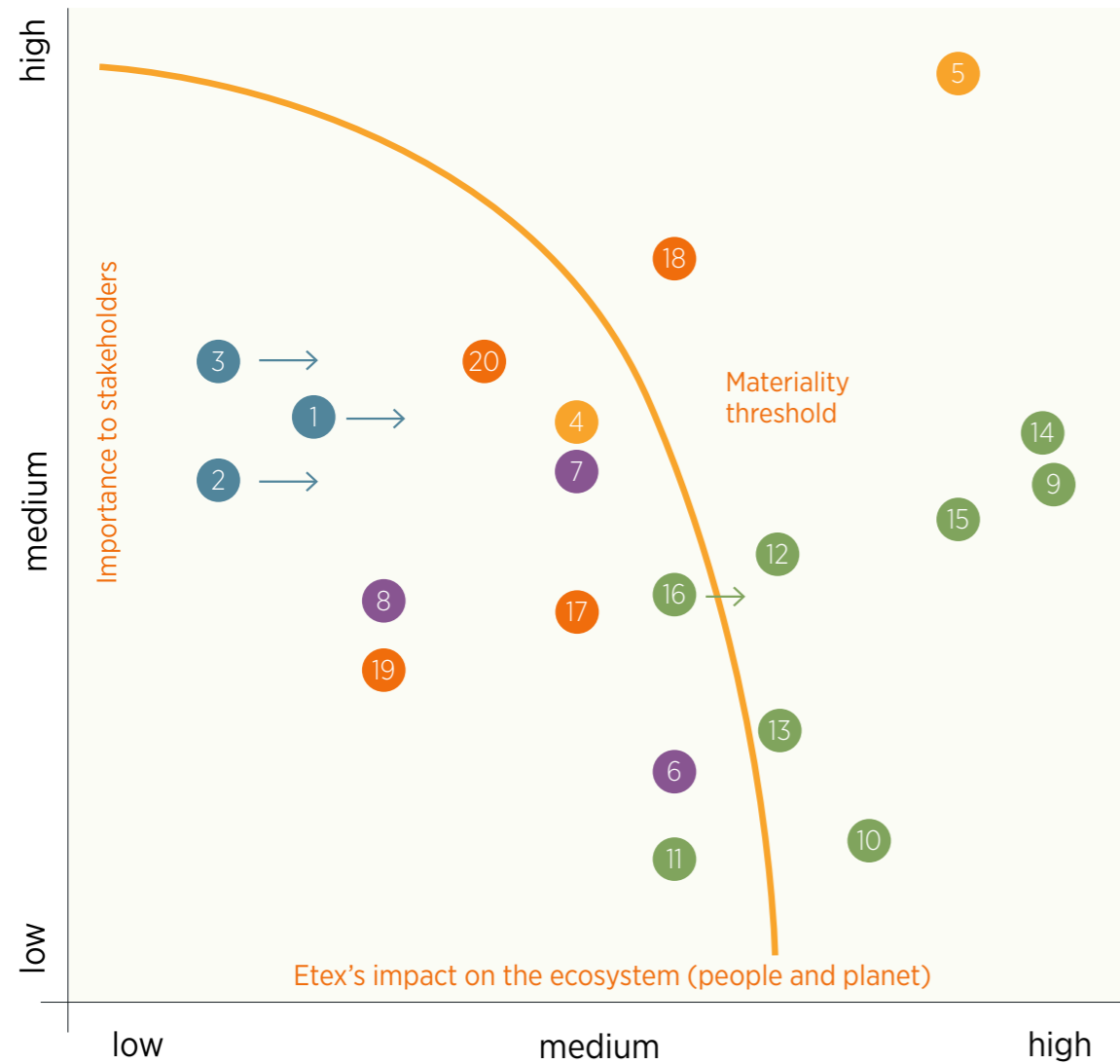
Our contribution to the SDGs

We strive to maximise the positive impact of our products (handprint) and at the same time minimise the negative impact of our operations (footprint). The overview below shows examples of Etex's connection to the 10 selected SDGs, through operational activities and upstream supply chain management, as well as through our product and service solutions offering sustainability contributions to our downstream partners.



Our materiality matrix

GRI 102-44 | 102-46 | 102-47 | 102-49



To operationalise our contribution to the SDGs in terms of specific actions, objectives and KPIs, we identified in 2020 which sustainability topics are most material for Etex, i.e. where the company has the biggest impacts. We included a wide range of internal and external stakeholders in this collaborative exercise (see Sustainability Report 2020, pp. 18-19). A review of this list carried out by the central Sustainability

team for potential updates in 2021 resulted in three social topics (employee training and development, employee engagement, inclusion and diversity; see topics 1, 2 and 3 above) to be added to the list of material topics, based on internal inputs such as the results from Etex's employee engagement survey. Since our waste management includes circularity as an integral component,

the topic 'circular economy' (see topic 16 above) is also considered as material.

Following input from internal and external stakeholders as well as from a trends analysis, **measures for the following topics were prioritised in 2021: health, safety & well-being, decarbonisation, circularity, diversity, equity & inclusion, and customer engagement.**

People



TOPIC

- 1 Employee training and development
- 2 Employee engagement
- 3 Inclusion and diversity (employees)

Health, safety and well-being



TOPIC

- 4 Employee work-life balance, health and well-being
- 5 Safety management

Community relations



TOPIC

- 6 Community engagement
- 7 Responsible economic growth
- 8 Customer and stakeholder relations and satisfaction

Environment



TOPIC

- 9 Energy and emission management
- 10 Renewable energy sourcing
- 11 Impact of transport and logistics
- 12 Water management
- 13 Biodiversity and ecosystem management
- 14 Waste management
- 15 Sustainable products, services and innovation
- 16 Circular economy

Business ethics



TOPIC

- 17 Responsible materials sourcing
- 18 Business ethics
- 19 Fair operating practices in the value chain
- 20 Pricing integrity, transparency and anti-trust

3

Sustainability
**in the way
we do business**



How sustainability is integrated in our business strategy

We want to create long-term value for our customers, employees, shareholders and other stakeholders by **addressing their growing needs for sustainable solutions**. This can only happen by looking at how we at Etex operate in the environmental, social and economic fields.

When we started our journey to align our business strategy with our sustainability ambitions, we ensured this is also visible through defining “Sustainability and Innovation” as one of the four drivers in our strategic framework ([see page 13](#)).

Beyond this manifestation, **how do we ‘live’ this integration at Etex?**

Formalised structures such as our effective governance structure, compliance management, codes and policies set out what Etex represents.

Our teammates stand for a caring and inclusive team spirit, ambition and experience to pioneer towards a sustainable future and delivering excellent results – a culture which we nurture through strong engagement activities, effective trainings and clear targets.

Integrating sustainability is also crucial for us to be a **reliable and future-proof company in a transforming market, and helps us in attracting the best talents**.



Using Sustainable Development Goals as our compass

GRI 102 -12

Linking the Sustainable Development Goals (SDG) to responsible business conduct, the UN Global Compact (UNGC) offers a proactive business community which Etex became a member of in 2020. This voluntary membership holds us accountable to progress along the ten UNGC Business Principles addressing human rights, labor standards, environment and anti-corruption. This way, **we ensure that Etex’ sustainability strategy and management matures in line with the expectations of society and our business partners** and translates in the way we do business. Etex’s **annual Communication on Progress (COP)** is a key component of our commitment to the UN Global Compact. In this report we share further information on engagement, developed based on the Global Compact active level publicly available on the UNGC website. It includes information on trade unions, notably freedom of association and labour/management relations, emphasising our commitment to maintaining fair, transparent, and constructive relationships with employees and their representatives.

Our three values

We are passionate about delivering the best for our partners by reaching high standards in everything we do and by excelling in executing our promises.



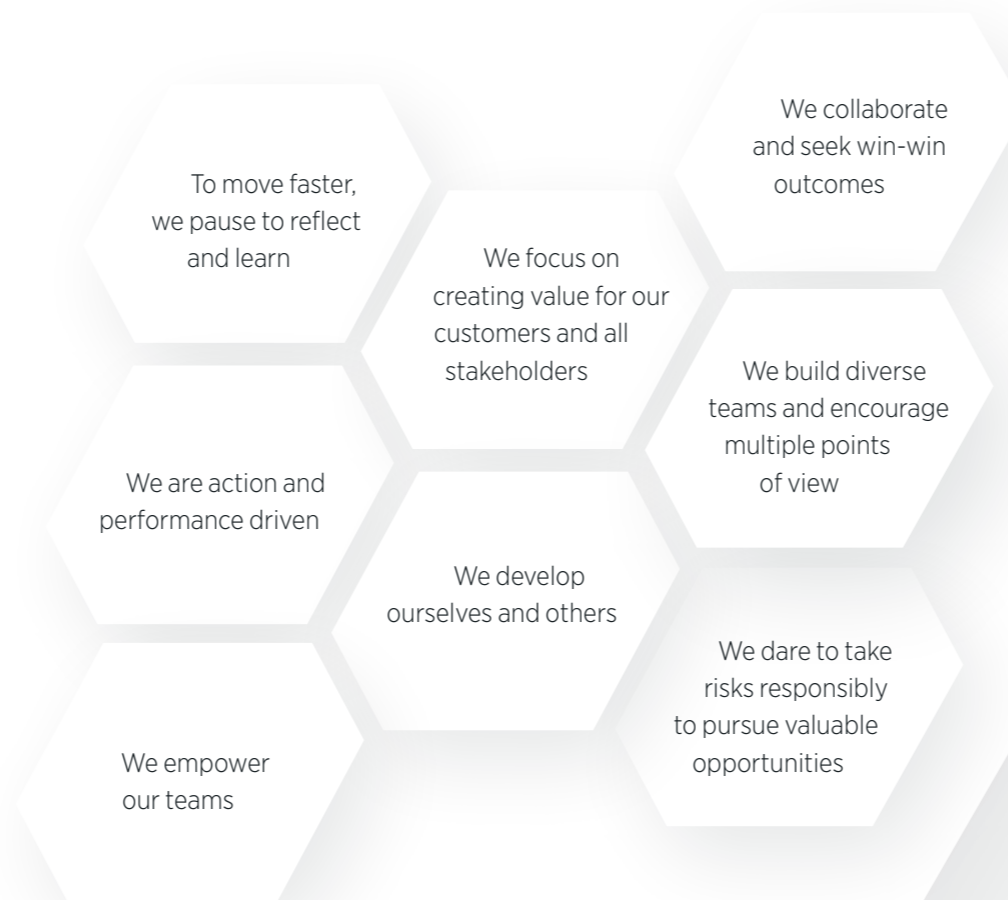
We care for people, their safety and the environment. We believe in the power of teams and partnerships; together we build the sustainable success of Etex.

We continuously seek inspiration in the world around us to bring innovative solutions that create value and success in the marketplace.



Our Leadership Principles

GRI 102 -16





‘The Etex Way’, our code of conduct

GRI 102 -16 | 102-26

In 2018 Etex adopted a revamped code of conduct on safety, ethics, compliance, and integrity titled ‘The Etex Way’. This new code of business conduct was approved by and is fully supported by Etex’s Executive Committee and Board of Directors. This reference document is easily accessible both externally ([on our website](#)) and internally (on our intranet platform). Internally, to make it as easy as possible for all Etex teammates to consult the code, it was made available in the 16 languages spoken by our global workforce. **This ensures the code’s contents are ‘lived’ by all our employees in their everyday work.**

Following its launch, we held in-person interactive training sessions on the code of conduct, led by our Antitrust and Compliance Officer, throughout our locations in Europe, Latin America, Asia-Pacific and Africa. To ensure that the key principles of The Etex Way are embedded into our teammates’ day-to-day activities, all office workers must, as part of their performance review process, complete the interactive Etex Way e-learning module at least once a year. This module was

supplemented, in 2020, by a specific e-learning on competition law.

In 2021, the majority of office workers completed the interactive e-learning module as part of their performance review.

Tackling corruption and creating fair markets

GRI 102-16

Etex has a **zero-tolerance approach to any form of bribery and corruption** in all jurisdictions in which it operates. Accordingly, Etex has adopted an **Anti-Bribery and Corruption Policy** reiterating and supplementing its commitment to prohibit bribery and corruption, further developing the key principles contained in Etex’s Code of Conduct. The policy provides clear practical guidance to comply with rules making it clear that these rules apply to all employees but also to third parties working on behalf of Etex.

Some trainings have taken place and the interactive e-learning Etex Way module covers key recommendations in the field of anti-bribery and -corruption, through the use of real-life examples, and further efforts will be developed to further implement this policy into Etex’s culture.

A culture of trust and integrity

GRI 102-17

Through Etex’ Code of Conduct **employees are encouraged to and supported when reporting any**

concerns related to related to human rights violations and other ethical concerns. Reporting is handled confidentially, and employees will not be penalised for reporting in good faith a violation of the code, whether a violation is confirmed after further investigation or not. To supplement the existing reporting lines described in The Etex Way, we have adopted at the end of 2021 a **SpeakUp Policy**. This policy provides further guidance on how to report suspected violations as set out in The Etex Way, and offer an additional reporting channel, namely the SpeakUp Line. The SpeakUp Line is specifically dedicated to dealing with reports in a situation where employees do not feel comfortable in using the normal reporting lines, or where they have used such but still have concerns. This reporting tool is provided by an independent third party allowing online and phone intake which is specifically designed to preserve the confidentiality, and if need be, the full anonymity of the person reporting a concern. We also strive to be a trusted partner regarding our human rights performance and have started in 2021 to give customers and business partners the same rigorous information about our own sustainability profile as supplier at group level. In the EcoVadis rating which rated Etex’ sustainability profile as a supplier, **the company scored 70 out of 100 points in the category “labor and human rights”**, strongly contributing to the silver medal level we obtained for the first-ever supplier rating we participated to.

Human Rights

GRI 103 -1 | 103-2 for 412

As outlined in ‘The Etex Way’, **we do not tolerate human rights violations**, and we support the relevant national laws

and the applicable provisions of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic and Social Rights. We join forces with our suppliers to minimise any risk relevant to human rights by **implementing a purchasing frame contract**, and to further these efforts we will define the minimum standards expected from our suppliers in **Etex’ Suppliers Code of Conduct** that will be implemented as part of our procurement process.

We, as Etex, acknowledge the responsibility to respect and protect human rights throughout our operations and where linked to us through our business relationships. For us, support to and respect for the protection of internationally proclaimed human rights is crucial at every step in the value chain. Hence, effective management of risks for negative incidents requires constant, transparent dialogue with the stakeholders involved. We also commit to **voluntary actions that seek to advance human rights and create**

positive impacts in areas including housing, food and education through our social projects, to support people in taking full advantage of all opportunities. More information can be found in the [‘Our social engagement’ chapter](#).

Industry 4.0 and Data ethics

GRI 103 -1 | 103-2 for 412

Digital solutions and the opportunities that industry 4.0 and increasing automation bring offer great benefits to professionalise our business and make processes more efficient. At the same time, we are aware of the challenges. How we handle data is important for our employees and partners, as well as for our business itself.

Our portfolio of measures is a **combination of effective IT infrastructure and governance**. We integrated cyber security as a business risk and ensure compliance with relevant regulation to make sure that our employees, customers and

business partners can trust us relating to confidentiality as well as handling and processing of personal data. Measures also include our Information Security Policy and Acceptable Use Policy, our Policy and Standard on Security Incident Response, user awareness trainings available in multiple languages, continuous information security risk assessments, internal audits and our phishing simulation programme to test and measure Etex’s resilience against social engineering techniques.

Next to paying particular attention to data privacy as a human rights topic, we are also aware of other sustainability impacts of digitalisation, for instance energy-related ones. **In our purchasing processes, we take the sustainability-related performance and commitments of our suppliers into account.**

From initiatives in place to digitalise our factories, to enhancing our governance: we are convinced that our future will see more digitalisation and we want to be prepared accordingly.



A precautionary approach

GRI 102 -11

As a global company, we constantly learn about new interdependencies between business activities and the environment, for example regarding the impacts that materials or production processes can have on the environment. Therefore, **in every business activity, we aim to be aware of environmental risks and concerns and take these into account abreast of legal requirements.**

In being responsive to our customers' specific interests towards particular sustainability topics and risks, we offer them respective declarations. This includes information on restrictions for hazardous substances (RoHS), conflict minerals or on registration, evaluation, authorisation and restriction of chemicals (REACH).

It is a permanent objective of Etex to only use and commercialise products that are safe for human health and the environment. It is also an objective to follow developments in this area. Together with REACH, the Regulation on Classification, Labelling and Packaging of Chemicals (CLP) is a key tool for the evaluation and management of chemical substances. Therefore, a monitoring process is implemented to identify and to counter when necessary, any substances in our supply chain that may have serious and often irreversible effects on human health and the environment (list of SVHC candidates).

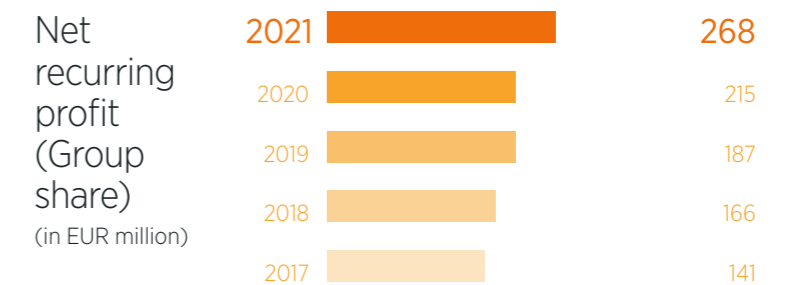
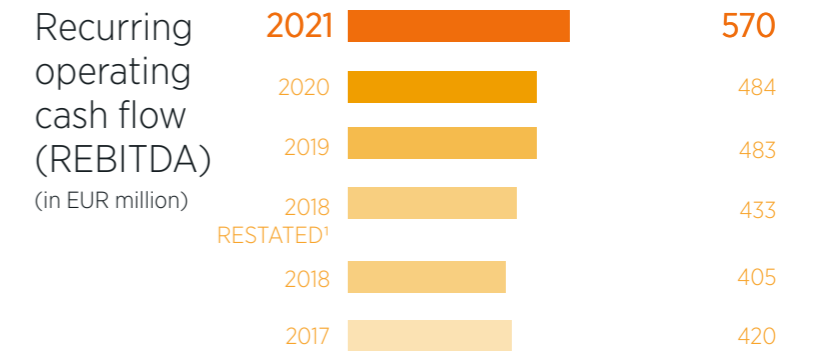
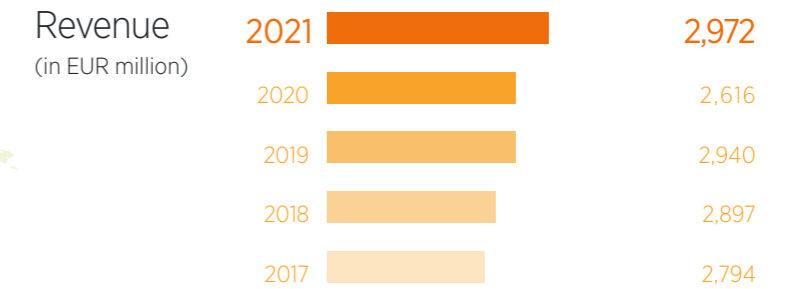
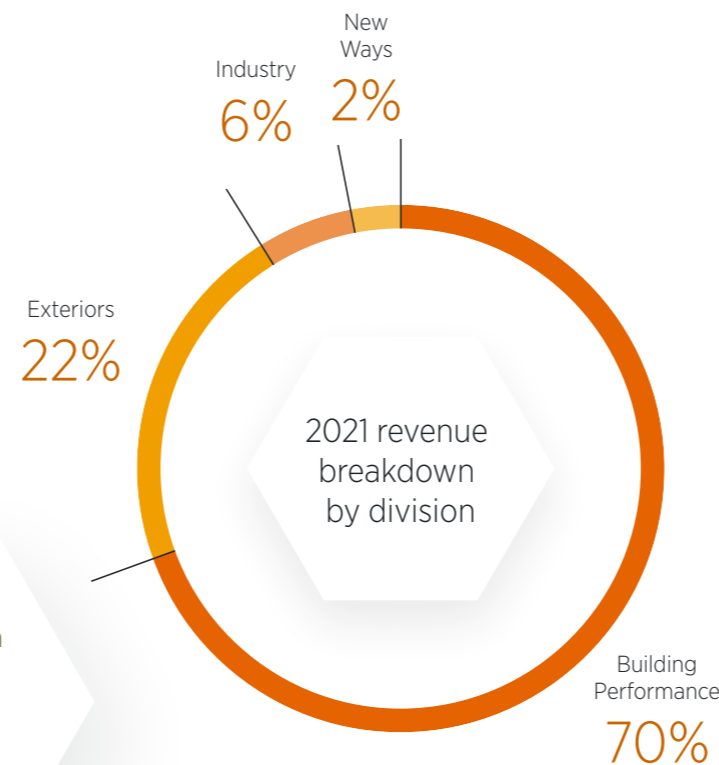
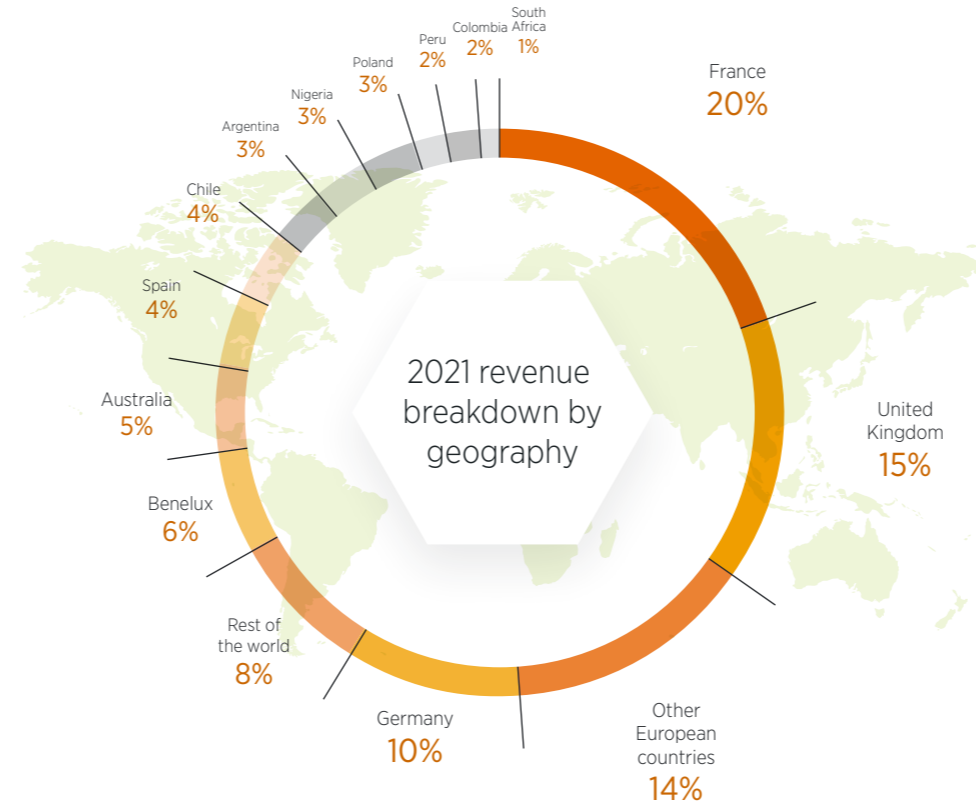
A strong and trusted business partner - Our financial performance

GRI 102-7

At Etex, business viability and sustainability go hand in hand. **Through robust financial health, we can in turn allocate resources to advance our social and environmental ambitions.**

Despite ongoing pandemic-related challenges, 2021's financial performance was outstanding. Etex revenues went up by 18.7% year-on-year to EUR 2.972 billion on a like-for-like basis. The company recorded a double-digit recurring operating cash flow (REBITDA) improvement (+25.7% like-for-like) to reach EUR 570 million, its highest value ever. As a result, the REBITDA margin was 19.2%. The company's net recurring profit (Group share) increased by 24.4% to EUR 268 million. The free cash flow before dividends, acquisitions and disposals of businesses reached EUR 184 million, making this Etex's second best performance. Following the acquisition of four New Ways businesses and a major plasterboard manufacturer in Australia last year, the net financial debt amounted to EUR 214 million at the end of December 2021.

All our financial information can be found in our **Annual report 2021, as well as on www.etexgroup.com/en/living/investor-relations.** Our capitalisation broken down by debt and equity can be found on page 67 of the Annual Report (Consolidated financial statements).



¹ These values are restated for IFRS 16 (lease) impacts consistently with 2019 with respect to lease debt, leased assets and depreciation of lease assets.

A sustainable approach to taxes

GRI 103 -1 for 207 | 207-1

The United Nations acknowledge that taxes play a vital role in achieving the Sustainable Development Goals by **offering governments an important source of revenue that is central to fiscal policy and macroeconomic stability**. Our tax policy incorporates this perspective, and is articulated around **four pillars**:

— **Compliance:**

Etex conducts its tax affairs in compliance with all relevant laws, rules and regulations and reporting and disclosure requirements. The group's tax management takes into account the company's wider reputation and standards of governance;

— **Risk management:**

Our tax strategy is aligned with our overall risk strategy. Etex believes that by approaching risk control in a strategic and organised manner risk factors can be reduced to an acceptable level given their likelihood and impact. Responsibility and accountability for the company's tax affairs are clearly defined and overseen by the group's Risk & Audit Committee. Professional diligence and care are applied to our assessment of all risks associated with tax matters. Where there is uncertainty as to the application or interpretation of tax law, advice is taken from recognised external advisors;

— **Business purpose:**

Incentives and reliefs are claimed to minimise tax costs of conducting our business activities, but we will not knowingly enter into arrangements that are contrived or artificial. All Etex companies are subject to the standard tax regime of the country where they are based and do not benefit from any preferential tax regime, nor do they enjoy any kind of tax ruling/ concession that might be viewed as harmful tax competition. Equally, there is no tax erosion or profit diversion through inappropriate transfer pricing or other techniques.

— **Approach towards dealings with tax authorities:**

An important part of our tax strategy is maintaining and developing a collaborative relationship with tax authorities. We engage with them with honesty, integrity, respect, fairness and transparency.

The group does not use shell companies or entities whose existence would be primarily driven by tax considerations. Similarly, Etex does not make use of companies in tax havens or low-tax jurisdictions.



Tax charges by country/region¹

The following table shows the tax charge (current and deferred tax, values in EUR thousand) of all Etex companies for 2021 by country. Negative amounts correspond to a net tax charge, whilst positive amounts represent a net tax income.

REGION/ COUNTRY	2021	2020
Europe	-49,823	-17,228
Austria	-1,847	-1,220
Belgium	7,537	-2,485
Cyprus	-3	474
Czech Republic	-120	-314
Denmark	-257	299
France	-5,246	6,176
Germany	-6,180	-3,935
Hungary	0	-1,408
Ireland	1,409	-163
Italy	-2,533	1,501
Lithuania	-1,046	-207
Luxembourg	-1,966	7,804
The Netherlands	-2,854	-1,750
Poland	-4,259	-4,277
Latin America	-21,768	-17,717
Argentina	-8,921	-4,289
Brazil	2,483	-2,809
Chile	-7,707	-2,968
Colombia	-2,286	-1,818
Ecuador	-183	-240
Mexico	0	-1,251
Peru	-5,154	-4,342
Rest of the world	-18,026	-8,659
Australia	-5,325	-1,085
China	-1,414	-936
Indonesia	-1,411	-507
Japan	-457	453
Malaysia	-200	67
Nigeria	-9,987	-6,544
Singapore	-191	83
South Africa	601	-232
United States	359	41
TOTAL	-89,618	-43,604

¹ Including corporate income tax and alike (such as German trade tax) as well as withholding tax.

Governance as a base for a successful sustainability trajectory

GRI 102-18 | 102-26

The sustainability governance is integrated at all levels of the organisation, ensuring that we have the resources and input to engage with our stakeholders and continuously improve our performance. Governance and strategic initiatives within sustainability are consistently a topic of Board as well as group management meetings. Etex is committed to the principles of corporate governance, as captured in our [Corporate Governance Charter](#). Detailed information on how our governing bodies interact with each other can be found in our Annual Report 2021 (p. 63).

Board of Directors

Etex's Board of Directors sets the overall group strategy, decides on major investments and monitors all corporate activities. Its composition is carefully balanced and includes representatives from Etex's family shareholders, as well as independent Directors. Seasoned Board members are considered to be a major asset to our company. Accordingly, there is no limit set to board tenure. Etex's Board of Directors met eight times through the course of 2021. The Board of Directors has four dedicated advisory Committees (see below) to assist and advise it on specific matters.

Executive Committee

Etex's Executive Committee members are entrusted by the Board of Directors with our day-to-day business. Their comprehensive knowledge, diverse experience and hands-on approach to leadership ensure a strong operational focus on our values and strategic framework. Sustainability is a flagship topic for our Executive Committee.

Governing bodies

Accountability to stakeholders for organisational oversight.



Dedicated sustainability governance helps us accelerate

GRI 102-20 | 102-26

The Board approves any initiatives relating to sustainability and corporate social responsibility upon recommendations by the Sustainability Committee. **Both bodies promote a culture that sets high standards for sustainability and reviews performance against those standards. They also monitor and review the group's policies on sustainability and corporate social responsibility.**

In 2021, the main topics discussed by the Sustainability Committee covered Etex's sustainability strategy, regulations, the actions around our five priority areas (health, safety and well-being; decarbonisation; circularity; diversity, equity and inclusion; customer engagement), ESG and supplier ratings, sustainability reporting and its social projects programme.

Corporate sustainability is managed at group level by our Sustainability team, led by the Global Head of Sustainability and the Head of Corporate Social Responsibility. Both are reporting to the CEO of Etex, with the latter acting as Secretary of the Sustainability Committee.

The **Sustainability Workstreams** are leading the implementation of the prioritised SDGs and are monitoring progress. At the same time, our Heads of Division supervise the operational implementation of corporate sustainability right at the heart of our business.

How sustainability is integrated in our risks assessment

GRI 102-29

Sustainability is also considered in Etex' risk assessment, in two ways. Firstly, sustainability-related developments like climate change can influence risks identified into the group risk register, e.g. supply disruption risk. Secondly, certain risks need to be actively managed because they could otherwise lead to adverse impacts on people's health and safety or the environment.

As part of our annual risk assessment cycle, the assessments' results are presented to and discussed by our top management and Risk & Audit Committee, based on which risk owners and mitigation actions are defined.

We foresee the importance of sustainability factors to grow for our risk assessments. For example, water scarcity is a topic which we also added to our sustainability agenda, and we are increasing our attention to this topic also from a risk management perspective.

Collaborating for constructive change

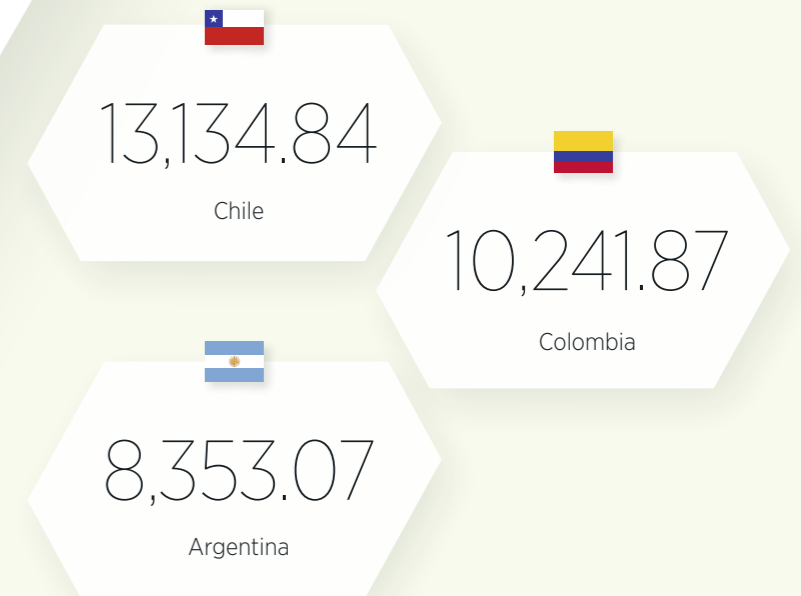
Seizing opportunities for tangible progress in sustainability can sometimes require added input from outside Etex, which is why we actively team up with customers, suppliers and other business partners and stakeholders. Through this collaboration, we can accelerate towards achieving the UN's Sustainable Development Goals.

Managing sustainability with impact mapping

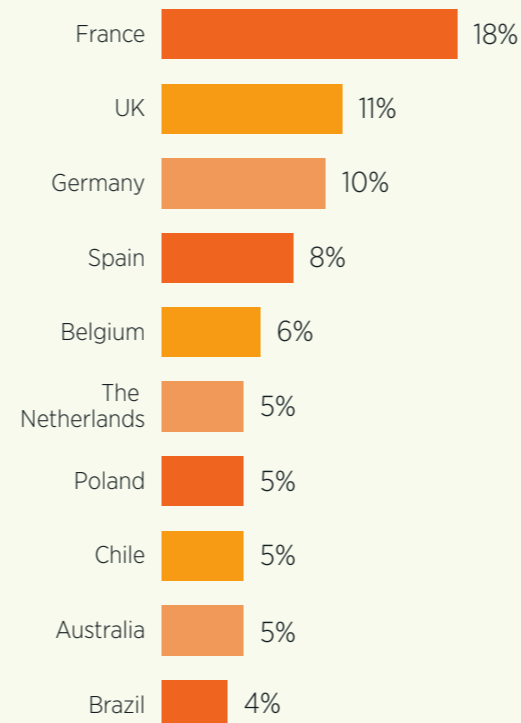
GRI 102-3 | 102-4 | 102-7

Etex is committed to having a positive, sustainable impact on our more than 12,000 teammates and local communities on 140+ sites across all continents. The company is headquartered in Zaventem, Belgium, and conducts operations in 42 countries. As a global company, **mapping the locations where we have the biggest clusters of social or environmental impact helps us to prioritise our action plans.** As an example, for the topics social sustainability, GHG emissions and waste sent to landfill, Etex' has significant operations in the following countries:

Waste to landfill in metric tonnes: top 3 countries of operation



Greenhouse gas emissions (scopes 1 and 2)¹ in % of CO₂e: top 10 countries of operation



Together, the following six countries represented more than 50% of Etex teammates at the end of 2021:



¹ The scope 2 figures are market based. For more details on the GHG emissions calculations, please see the [Environment chapter](#).

An enriching environment of stakeholders

GRI 102-40 | 102-42 | 102-43

Our stakeholders drive what we do, helping us pave the way forward as a company. Our sustainability strategy includes a map of stakeholder groups, giving us a clear understanding of their expectations on how our work contributes to social and environmental topics. The map is based on input from 74 internal cross-functional 'gatekeepers', representing all Etex divisions and operational regions, who provided a list of 'internal', 'connected' and 'external' stakeholders:

● Internal stakeholders

(employees, Senior Leaders and trade unions): strongly dependent on the organisation, including for safety, information and personal and professional development.

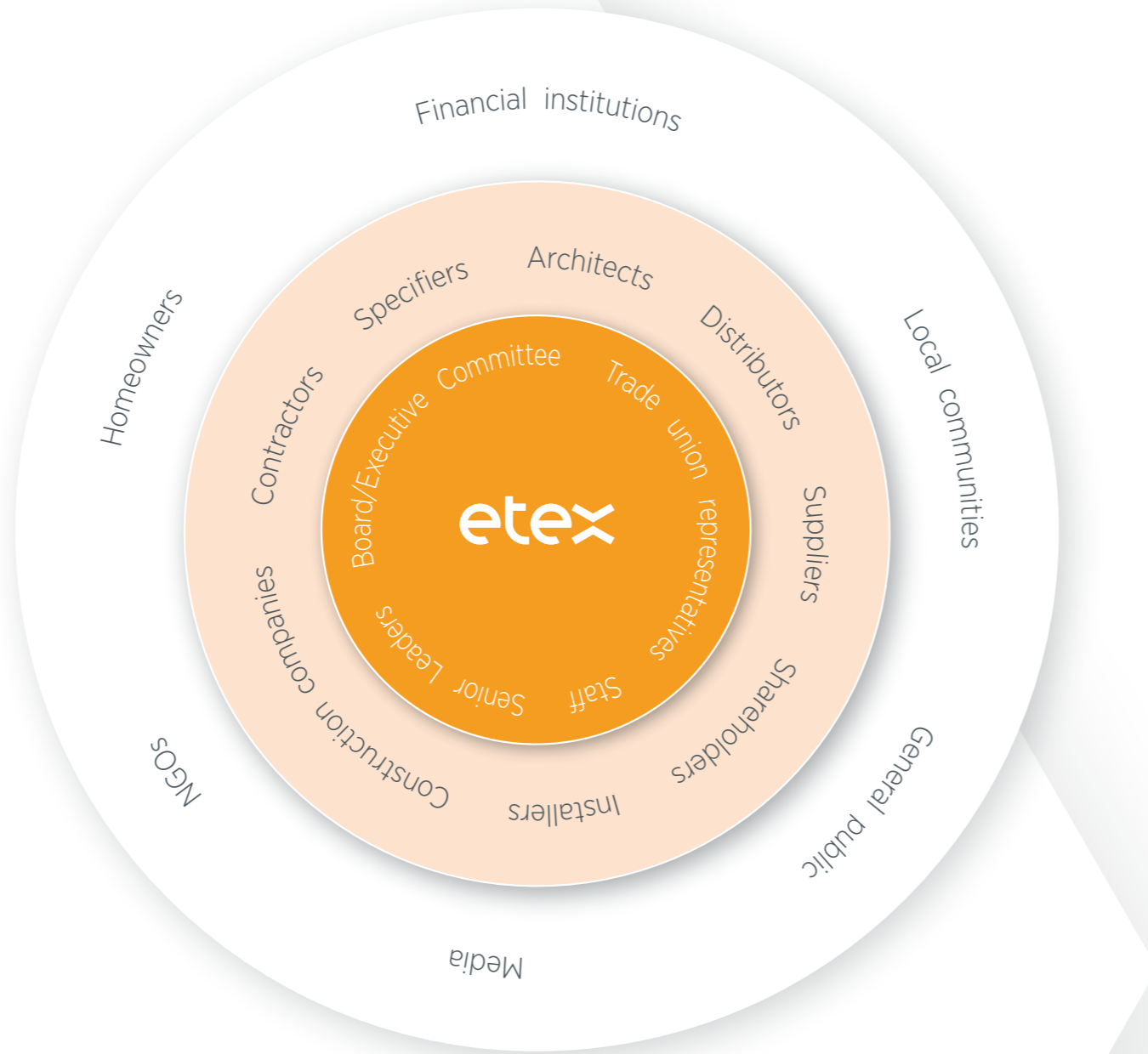
● Connected stakeholders

(shareholders, investors and suppliers requiring transparency; architects, construction companies, distributors, contractors, installers and specifiers requiring sustainable building solutions): have economic or contractual relationships with Etex.

○ External stakeholders

(homeowners, local communities, general public, financial institutions, NGOs, media): least dependent on the organisation, but do influence it, requiring Etex to maintain sustainable and transparent relationships.

This mapping is pivotal in helping us ensure fair operating practices across the value chain and advance responsible materials sourcing, both key topics in our CSR strategy. Some stakeholder dialogue, such as the consultation we use to define our sustainability priorities, deals specifically with our sustainability management.



Engaging with our internal stakeholders

GRI 102-20 | 102-43 | 403-4

This engagement is based on transparency, our commitment to them, and how we connect with them.

Tailored communication channels facilitate ongoing dialogue between more than 12,000 employees in 42 operating countries. Our intranet platform Etex Core, events, webinars and various communication campaigns are part of this system. For example, **Etex Team Talks** are digital events organised every two months on average; they are accessible to all teammates and are an opportunity to celebrate team achievements, share results, update on important changes and communicate on prospects. With teammates being the backbone of the company, we enable every teammate to tell us their own Etex stories, which are published online as **Teammate Stories**. The idea is to hear about successes and experiences across Etex and inspire others in their work and personal life. **Etex Insights** also bring around 500 company managers together for a digital event to share detailed information and updates on the organisation. Finally, the **Etex Global Summit**, involving around 100 Senior Leaders in a three-day event, is organised once a year.

Our governance bodies are also highly engaged.

The Board of Directors met eight times in 2021 to discuss updates and approve proposals by the Executive Committee and recommendations from the advisory Committees. The Committee and Board meetings are attended by their respective members. The office of the CEO, together with the Secretary to the Board, manage the information flow

between the Executive Committee and Board. The Board documents and other relevant information are shared through a secured digital platform accessible to Board members only. To assist and advise the Board on specific matters, all four advisory Committees were active throughout 2021: the Strategy Committee met seven times, the Risk and Audit Committee three times, the People Committee six times, and the Sustainability Committee four times.

Etex is committed to holding **regular dialogue with employee representative bodies** to ensure labour standards are not breached. The **European Works Council** is also an important stakeholder that we keep updated on relevant developments at Etex. The regular social dialogue includes an annual, in-person, two-day meeting in Belgium, where union members from ten European countries connect with each other and interact with our CEO, CFO and Heads of Division.

Engaging with our connected stakeholders

GRI 102-43

Transparent information and innovative solutions are the cornerstone of our commitments to Etex's **connected stakeholders**.

For our **shareholders, investors and financial institutions**, we are committed to striking a balance between sustainable growth and strong performance. Transparent communication on this is primarily channelled through our Corporate Communications team.



This connecting also takes the form of our annual Shareholders' Meeting(s). Similarly, full-year and half-year results, as well as strategic developments, are communicated through press releases and other relevant documents published on our website.

On the commercial side, Etex's commitment to **architects, construction companies, distributors, contractors, installers, specifiers and others** comes in the shape of proactively meeting their needs by offering superior building solutions, giving them the vital ingredients needed to construct ambitious, inspiring projects. Our five divisions offer a respective wide range of products and solutions. Etex connects with its commercial stakeholders by openly sharing information of relevance to them. Our Innovation & Technology Centre in

Avignon, France invites customers to co-innovate during our annual Innovation Days, a key platform for inspiring ideas (this could not take place in 2021 due to the COVID-19 pandemic), while our purchasing team connects regularly with our main suppliers.

We are aware that our connected stakeholders, regardless of the market they represent or their relationship to us, are increasingly focussing on sustainable business management. More and more customers are requesting suppliers for a proof of their sustainability performance. We, at Etex, take this as a responsibility to respond to the needs of our customers and offer transparency on our sustainability management through our sustainability reporting as well as through sharing external assessments by established third parties. EcoVadis' assessment results in

this regard were very encouraging for Etex, as we were awarded a silver medal and we managed to score above the industry average in all four pillars of the assessment.

For our **upstream supply**, we prefer suppliers who are aligned with our sustainability ambitions. The EcoVadis risk assessment performance monitoring for risky countries and critical categories helps us to define action plans to engage with our suppliers to increase their sustainability performance. At the moment, 725 of our key suppliers have been assessed, which represent one third of our annual purchasing spend and are rated with an average score of 44%. We are actively entering a dialogue with our suppliers to engage this stakeholder group to support our own sustainability strategy and to generate a win-win situation strengthening our partnership.

Sustainability initiatives with our upstream suppliers

GRI 102-9

Upstream, our supply chain is characterised by stable, long-term relationships predominantly with local suppliers. They support us through services such as transport, or by securing our supply of different key raw materials, such as gypsum, cement, fibres and others.

Our sustainability engagement upstream aims at reducing emissions among other topics. For example, this encompasses a combined truck-train-truck transport for our calcium carbonate supplies in France, or discussions with our cement and limestone suppliers about how they can use more renewable energy in their production.

We also aim to source more locally to minimise transport distances. This also reduces our disruption risk. For instance, we decreased the silicone purchased from China from 70% to 50% and the supply of wax for our plants in Britain has been reallocated from Germany to the UK.

We have automatised RFPs (Request For Proposal) in place which include a questionnaire about sustainability and specific audits for our raw material suppliers located in risky countries. This supply chain management is accompanied by contract monitoring, weekly raw material shortage risk

reviews, singlesourcing monitoring and mitigation action plans.

Further examples include the special attention given to our mica supply chain in terms of safety measures and combatting child labour, using silo truck deliveries to avoid packaging as well as the energy to handle the materials, or the fact that, when virgin fibre use is necessary to manufacture fibre cement boards, our suppliers use responsibly sourced material and appropriate CSR accreditation.

Supply chain management in difficult times

In a difficult context, our Purchasing and Supply Chain teams and processes have been challenged. The value of the various transformational programmes put in place in the last three years was demonstrated, and the robustness and agility of our teams confirmed through all the events, from Brexit to supply chains disruptions or inflation. Last year, Etex was notably able to adapt successfully to high market demand and raw materials shortages at the supply chain and manufacturing levels, despite a highly volatile environment. This was achieved thanks to solid and ethical relationships with our suppliers.

Engaging with our external stakeholders

GRI 102-13 102-43

Digital takes centre stage when it comes to connecting with our external stakeholders, the bulk of which are local communities, NGOs and the media. Part of our commitment to them is establishing and building on sustainable, transparent relationships using digital means. Our local businesses design and implement communication channels that connect with their respective communities. As a company, we also partner with the **international NGO Selavip and its extensive network**, which supports housing projects for underprivileged people worldwide. Our Sustainability Report serves as a key source of information on sustainability initiatives and actions for all these stakeholders. **Press relationships** are fostered locally, while Belgian and foreign media maintain contact with Etex's Corporate Communications team.



Industry associations are a great way for us to share information, combine forces with peers and find sustainable solutions for our industry. Etex has representatives in various national trade associations (e.g. SNIP, GDPA, BV-Gips, ABLG, NBVG) that are members of Eurogypsum, the European federation representing the gypsum product manufacturing industry. Etex's representatives are active in the governance of several committees of Eurogypsum (including the Board and Quarry, Sustainable Construction, Climate, Chemical, Circular and Communication Working Groups). In 2022, Jörg Ertle, Etex's Head of Corporate Social Responsibility, was elected President of Eurogypsum for a two-year term.

Other key associations include:

- **European Federation of Fibre Cement Manufacturers (EFFCM;** manufacturing companies and national associations);
- **European Association for Passive Fire Protection (EAPFP;** manufacturing companies and national associations);
- **Fire Safe Europe** (mostly manufacturing companies);
- **Passive Fire Protection Network (PFPNet;** companies and entities, not only producers, as well as other stakeholders);
- **Society for Fire Protection Engineers Europe** (Etex is a Board member). SFPE is an association uniting fire engineers, with personal membership, aiming at increasing the professional level, predominantly through sharing knowledge on fire safety.

For the benefit of **investors, financial institutions, NGOs** and the wider public, we ensure transparency and accountability through our website and public reports, including our Annual Report and Sustainability Report, with relevant contact details made available to any stakeholder wishing to get in touch with us.



Carefully managing our asbestos past

Asbestos is part of our past and we continue to manage our history with the material carefully. Our group-wide policy enforces this commitment.

Asbestos through the years

In the past, some of our companies used asbestos as a raw material in production.

Preventive measures

Starting in the 1970s, Etex companies took measures to reduce asbestos concentration levels in the air in their factories. These included:

- Masks and other protective gear;
- Dust extraction equipment;
- Shift from dry to wet production;
- Automation of production processes;
- Exploration of alternative materials;
- Ban of blue, brown and later white asbestos.

These measures were aligned with the legislation and based on scientific knowledge available at the time, and were considered effective ways to prevent health risks. However, scientific and medical knowledge further evolved, indicating later that this was not sufficient and that some risks persisted. Asbestos-related diseases such as

mesothelioma can take an average of 50 years between the start of exposure and the development of the disease. It is the most cause-specific asbestos-related disease. This long average latency period has slowed down or influenced the progression of scientific understanding of these diseases.

Stringent regulations

Throughout the 1980s and 1990s, the use of asbestos was more strictly regulated and in 2005, the European Union completely prohibited its use. Etex banned asbestos entirely from the production processes of all its companies in 2002, thus prior to the European Union ban.

The global picture

The name Eternit is used to patent the technology which was sold worldwide to multiple companies, several of which adopted and retained the name for their company as well as it being the name of the product. As a consequence, some companies today bear and/or sell products under the name Eternit while not being part of Etex.

It should also be noted that although the use of asbestos is prohibited in the

EU, in many countries around the world it can still be legally used and sold.

Health provisions

Since asbestos-related diseases have a long latency period, Etex companies may still receive claims related to former asbestos exposure. As part of our commitment to compensate victims, our company provides settlement costs for past and future claims.

Several variables affect how compensation is calculated, and these may change over time. We therefore regularly review our approach to take into consideration any new information that may become available.

Group-wide policy

We cannot undo the past and we deeply regret that people became and still become seriously ill due to asbestos exposure. To put adequate support systems in place we established a mandatory policy that enables our companies to manage their past vigilantly. The policy is based on a three-way approach: compensate victims, prevent exposure and support research.

About asbestos



Since its discovery and mainly since the industrialisation, this naturally occurring silicate mineral has been used and is still used worldwide in many sectors due to its technical characteristics. Asbestos is highly heat and chemical resistant, electrically non-conductive and rot-proof.

It became the norm to use asbestos in many industrial processes such as textile, plastic, food, automotive, railway, insulation, construction and building industries. However all the health implications of inhaling asbestos fibres were not yet known. Unfortunately it has taken the world decades to fully understand the risks associated with asbestos exposure.



Compensate victims

Etex companies have to ensure that those who become seriously ill due to being exposed to asbestos in their factories receive a fair financial compensation.



Prevent exposure

Etex companies constantly monitor the presence of airborne fibres and safely manage all buildings and landfills. In 2020 we started an asbestos awareness training involving 150 Site Managers, EHS Managers and Project Managers from all over the world. The training was focussed on our asbestos policy, the potential risk exposure, preventive health and safety measures, air monitoring, project management and communication. In the course of ongoing initiatives to upgrade sites and buildings, including sites from acquisitions, we also inventory and remove asbestos-containing materials.



Support research

Etex supports medical and scientific research. We started in 2012 to support the Belgian Foundation Against Cancer and we are committed to support their research work until 2024, with a total donation of EUR 10 million over this period. It is our sincerest hope that treatment for asbestos-related illnesses will benefit from medical and scientific research in the future.



Former application of cement produced by some Etex companies

EUR 10 million

In donations to the Belgian Foundation Against Cancer between 2012 and 2024



Our people:
From core to
care business



OUR PEOPLE

Our people at the centre of what we do

GRI 103-1 for 404 and 405

For us, success is having not only a sound financial performance but also the ability to attract and retain the best people, build diverse teams and unlock their full potential through continuous development. We commit to creating a positive, caring and inclusive work environment **where teammates feel valued, respected, engaged, and want to contribute to the success of the business as One Etex.** This is for us the key to success, harnessing the energy and power that high-performing and diverse teams bring.

Playing for the same team as One Etex

There is strength in unity. **When we act consistently and as true Etex teammates, we act faster, serve our customers better, and find the best responses to global environmental and societal challenges.** With our purpose and values close to our heart, two years ago we initiated our United to Inspire campaign to enable Etex teammates worldwide to speak in one voice and present themselves to the world as a united team. By giving all teammates a true sense of belonging under one corporate brand, we motivate them to work as one team contributing to make Etex a leaner, more impactful and sustainable organisation.

Why do we call Etex colleagues 'teammates'?

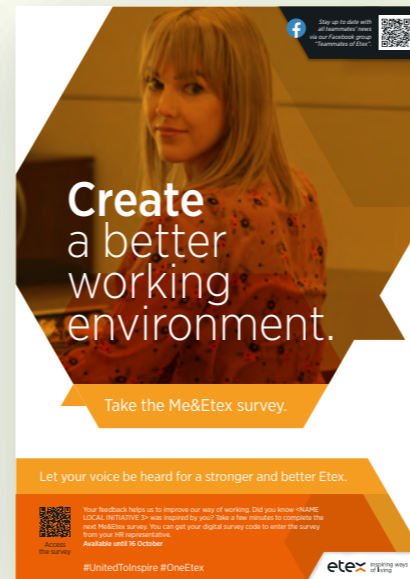
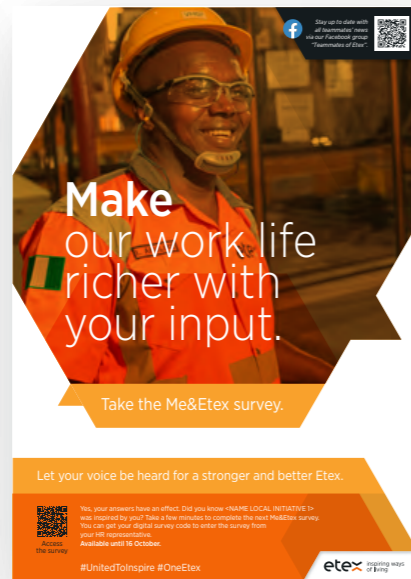
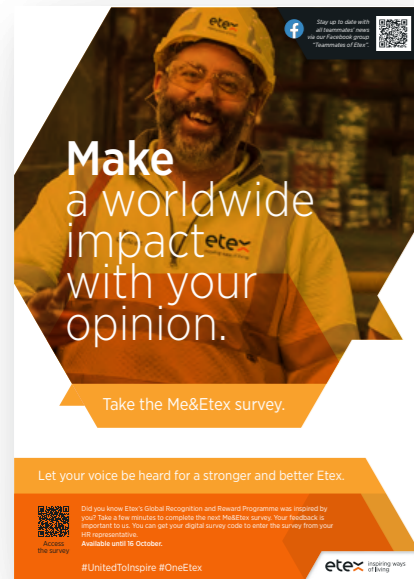
Team spirit is an essential driver of our collaborative culture. In line with our 'Connect and Care' value, caring for our fellow teammates is key to putting our joint purpose into practice. Each and every one of us can shine and is a valued, active member of the Etex team, across countries and cultures, independent of their functional level within the organisation. Through collaboration and trust, we build one strong team that allows us to succeed in facing global challenges and offer safe, smart, beautiful and sustainable solutions to our customers, while creating value for all our stakeholders.



“At Etex, we work as one team. Our factory teammates give their best every day, always thinking about our customers, making good products and helping us move forward. Together, we believe that our products can reduce our industry’s impact on the environment. I appreciate the efforts of all my teammates to help us inspire ways of living.”

Mami Suzuki,
Customer Service Representative, Etex Japan





Survey key facts

- Online survey available in 17 languages
- Over 12,000 employees invited to participate



Survey objectives

- Generate insight into the Etex employee experience
- Compare overall progress versus the first survey in 2018 and the 2020 internal 'pulse check'
- Assess embodiment of Leadership Principles
- Focus on lighter process to analyse results and create quality action plans

Employee engagement – a game changer for us

GRI 102-43

Back in 2018, we kicked off our journey towards a more engaged Etex with our first global employee engagement survey, 'Me & Etex'. We followed this up in 2020 with a shorter, fully digital survey to collect feedback, measure progress made so far and gain a clear understanding of how we could improve our employees' experiences and personal situation during COVID-19 times.

In 2021, we ran another full engagement survey, registering a fantastic 85% participation rate, up 16% in comparison with our engagement survey in 2018. We also achieved an 86% engagement rate¹ across Etex,

up 15% on 2018 and 6% above the manufacturing industry norm².

The strong response rates from both our factory and office teammates provided us with thorough insights into our colleagues' needs and ideas across the organisation and helped us boost both their well-being and the company's performance.

The survey findings on the one hand signal an expectation among employees that the survey will deliver change, and on the other hand bring more clarity to the way our teammates feel connected with Etex. The survey results show that despite the

context of COVID-19 and other business-related challenges, employee engagement, well-being and empowerment have become attributes of Etex's culture and are perceived as stronger than ever.

Additionally, there was a **significant improvement compared to 2018 in all 15 question categories**, including a marked improvement in **Corporate Social Responsibility, Recognition & Reward and Overall Engagement**. The results fuel us with motivation to continue our focused efforts in specific areas and use the survey not only to measure our improvements but also as a channel for active dialogue.



¹ The engagement rate is the combined score from two survey questions: a. I have the tools and resources I need to do my job effectively; and b. I would recommend Etex as a great place to work.

² The manufacturing industry norm is built from the Global Manufacturing Companies Norm, comprising 209 manufacturing organisations. The data is derived from recent client studies conducted by Willis Towers Watson. The norm is updated annually.



Employee representation bodies – proactive dialogue

GRI 102-41 | 102-43 | 102-44

Another important instrument for open and direct dialogue are the meetings organised with employee representative bodies. An example of successful joint decision-making are the collective bargaining agreements which cover 72.6% of our workforce.

As part of our engagement with trade unions, and alongside the work of our local union representatives, the **European Works Council** is an important stakeholder we keep updated on relevant developments at Etex. In 2021, topics covered worker safety, the implications of COVID-19, new acquisitions and our global Me & Etex employee engagement survey. The regular social dialogue includes an annual, in-person, two-day meeting in Belgium, where union members from ten European countries connect with each other and interact with our CEO, CFO and Heads of Division. As a result of COVID-19 travel restrictions, however, the June 2021 meeting was held remotely. We set up a specific digital format allowing each participant – most of them factory workers – to participate in their mother tongue, as real-time translation was provided. Both union members and Etex management shared positive feedback on this event.

To date, 20% of factory teammates have joined the formal process on the platform.

We also benefit from informal feedback moments, which are opportunities for in-the-moment exchanges. We encourage our managers to engage in these outside the formal review process.



setting expectations, asking for and providing feedback and laying out the next steps of personal development.

With a presence in 42 countries, ensuring our central processes are available in local languages is a principal factor to increase engagement. We therefore made our performance review cycle available in more languages: English, Spanish, Dutch and French in 2020, expanding to include German, Portuguese and Romanian in 2021, then Chinese and Indonesian in 2022. This is particularly valuable for our factory teammates and will allow 88% of them to complete their performance review cycle on the digital platform, offering them a formalised process with structured feedback. Our goal is to bring all our factory-based teammates into the formal cycle of this platform by 2025.

Additionally, we produced an **interactive learning module ‘Feedback@Etex’** on our digital learning platform giving our teammates the tools needed to provide feedback in a constructive way with the aim of helping people grow.

The second pillar is our performance cycle and its accessibility in Etex Talent. The performance cycle includes (i) Etex values and desired behaviours; (ii) individual goals; (iii) development actions. Enhancing our feedback is an important part of improving our performance culture and is a priority for Etex. **All office employees have two formal conversations throughout the annual performance cycle**, which present an opportunity for

skills of our managers to ensure a meaningful evaluation process, including constructive feedback, and at the same time increasing teammates’ access to the performance cycle in our internal Human Resources Information System (HRIS)¹.

The first pillar is making sure managers throughout the different organisational layers have the appropriate skills to provide meaningful feedback. As such, we have worked intensively on building communication, and more specifically feedback skills, through one of the modules of our **First Line Manager programme** exclusively targeted at our managers in production, maintenance, warehousing and other key manufacturing functions (more about the programme on p. 40).

Cultivating a feedback culture through performance and talent management

GRI 103-1 | 103-2 | 103-3 for 404 | 404-3

Our teammates’ voices are valued at Etex; therefore, we want to make sure we create a natural environment where every teammate feels they can share feedback with any person in the organisation – regardless of position.

Based on the results of our latest ‘Me and Etex’ survey, **77% of teammates indicate their direct manager gives them regular feedback, a 17% increase compared to our 2018 results**. This improvement is a result of our efforts to improve specific

¹ At Etex we are working with Success Factors, internally this is called Etex Talent. As the acronym suggests, it is an information system which hosts most of our employee data with the necessary precautions when it comes to GDPR. In addition to being a source of employee data, it also offers modules for streamlining employee processes. Today we are using Etex Talent to publish our vacancies internally, to visualise our organisational charts, and to organise our talent processes for performance management and succession planning.

Building a high-performance culture through recognition and reward

GRI 103-2 for 404

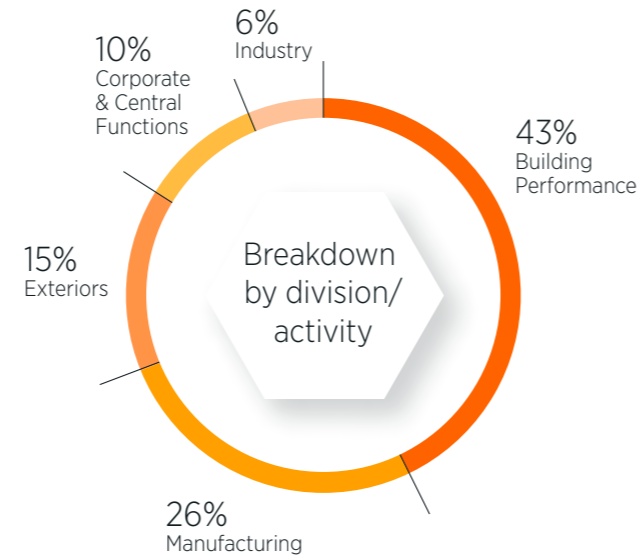
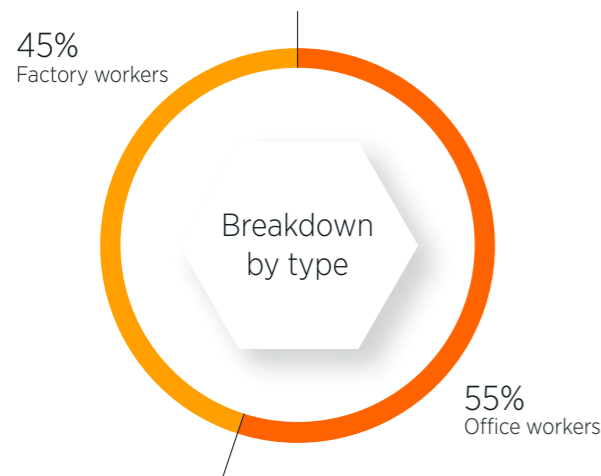
The commitment, passion, high performance and efforts dedicated to going the extra mile are attributes that deserve recognition. To celebrate the outstanding performance of our teammates, our company introduced the Etex Awards, which are linked to the three Etex values through

three levels of recognition. Since the inaugural 2020 Etex Awards, it has become a celebrated event across all our countries. Last year, more than 2,200 Etex Awards were handed out to teammates worldwide. **2021 saw 2,005 Etex Impact Awards presented for outstanding performance,**

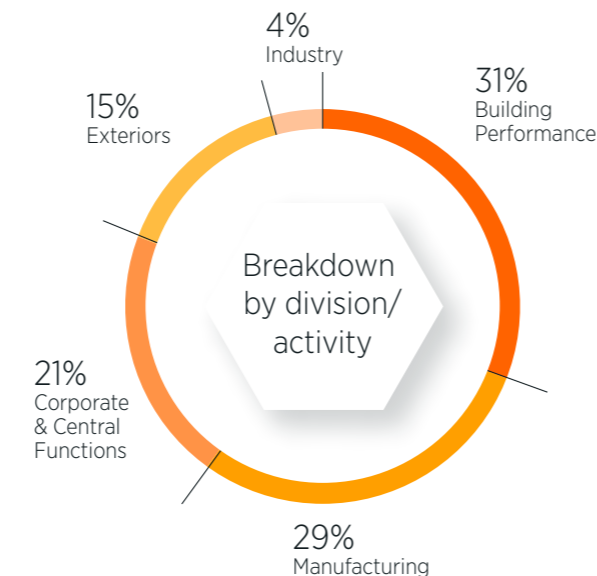
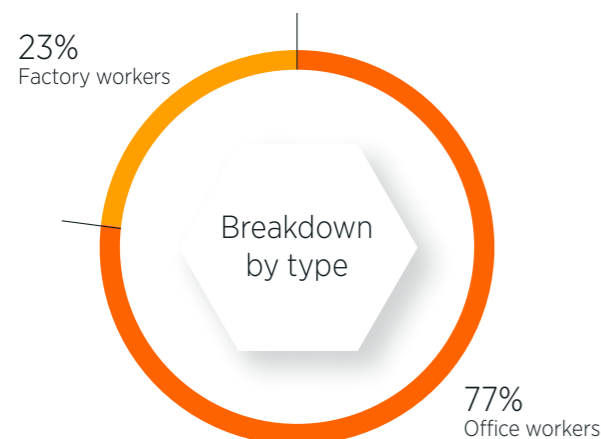
260 Etex Excellence Awards for a significant financial and material impact and 1 Etex CEO Award for a game-changing contribution.

These inclusive Etex Awards were spread across all business functions, work categories and in 22 countries.

Etex Impact Awards in 2021



Etex Excellence Awards in 2021



Achievement of the year - Etex's Maipú plant wins the Etex CEO Award 2021

The Etex Maipú plant in Chile obtained excellent deliverables in savings around manufacturing variances, rejects, raw material efficiency, electrical and thermal energy, labour and machine utilisation. The entire factory team contributed to consistent progress towards operational excellence. In addition, the local leadership team has constantly

searched for innovative solutions and agreements with unions, workers and contractors. Together, they developed a true culture of customer centricity with high impacts leading to the industrial team being world-class with a clear, aligned purpose, and excellent performance and teamwork.

The Etex Maipú team has won the Etex CEO Award 2021





#TeamatesOfEtex
#UnitedToInspire

Etex es una gran organización donde puedes crecer y desarrollar tanto profesional como personalmente.



Diego Torrente
Marketing Manager
Etex Maipu
Etex teammate since 2004

“Etex is a great organisation where you can grow and develop both professionally and personally.”

Developing our people

GRI 103-2 for 404 404-2

Our people strategy focuses on leadership development, talent development, reskilling and upskilling our teammates. Therefore, we invest in the professional and personal development of our employees.

Continuous learning ensures strong foundations for Etex. **In 2021, we focused on leadership development and onboarding processes.** We introduced a virtual onboarding programme

which saw 260 new teammates connect and gain an international network. For tailored leadership development, our First Line Managers programme in manufacturing marked the beginning. By the end of 2021, some 160 Shift Leaders were involved, with another 500 expected in 2022. The ‘Leadership Essentials’ programme for office employees was also piloted and will be rolled out globally in 2022. Similarly, we developed ‘Lead to Inspire’ for our Senior Leaders.

GRI 103-3 for 404

Our employee engagement survey shows that 72% of our teammates believe they have opportunities for personal development and growth at Etex. This is a 13% increase compared to 2018 – an encouraging signal that our efforts are on track and offer value to our teammates.



#TeamatesOfEtex
#UnitedToInspire

Geniet van elke dag waarin je kunt werken voor een werkgever als Etex.



Patrick Cornelissens
Training Coordinator Workplaces
Etex Kapelle-op-den-Bos
Etex teammate since 1984

“Enjoy every day that you can work for an employer like Etex.”

Employee training and development lies at the heart of what we do

GRI 103-1 and 103-2 for 404 404-2

We at Etex acknowledge that not everyone has the same level of knowledge or expertise, but we also know that **given the right opportunity everyone can reach their full potential.** Therefore, training and upskilling our teammates is at the centre of what we do. To achieve this, we apply a multilayered approach.

Learning is primarily organised through our local companies, enabling them to focus on creating tailor-made programmes. At the same time, our Global Learning and Development community, a cross-functional group consisting of

ten teammates and four functions, and representing two regions, continues to reflect on the needs of our teammates at the different levels in the organisation. We approach every teammate with the aim of **covering their individual needs and improving the skills needed for our company to thrive.** Our annual performance cycle therefore includes opportunities for discussing the individual development needs of all teammates.

In 2020, we created a dialogue with our teammates about learning opportunities in order to revitalise our understanding of how they would like to learn. We used the format of listening groups and engaged with approximately 70 teammates. In 2021, we addressed several needs we had identified through these. A primary focus for us has been the design and development of leadership programmes tailored to our needs and covering the different levels in the organisation.



“The First Line Managers programme has given me different knowledge on how to manage my leadership guided by the values of Etex.”

Maria Camila Duque,
Security Supervisor, Etex Colombia



Etex Colombia

Developing our First Line Managers into First Line Leaders

GRI 103-1, 103-2 and 103-3 for 404

404-2

One of our leadership development programmes is the **First Line Managers programme (FLM)**, which started in 2020 and is designed to develop and pilot an extensive development programme for our First Line Managers. The goal is to help them evolve from very good operators to engaging leaders. **The First Line Managers programme is specifically created to sharpen key skills and expertise needed to develop leaders** in our plants so they can drive engagement and deliver results.

In 2021, we piloted the programme in eight different plants in Belgium, Italy, Chile and Colombia to get feedback, learn and adapt where needed. The feedback from these pilot sites was positive and we took the learnings to further improve the programme. In 2022 we are scaling up further, bringing 9 new plants on board at the start of the year

and aiming for 21 more during the rest of the year. Our factory front line managers spent a total of 3,522 hours participating in the programme in 2021, and we expect a significant increase in 2022.

Together with an external partner, the Learning and Development Team designed a global framework that can easily be deployed and adapted locally to make it as relevant as possible. The different sessions are a mix between theory and practice, making sure that our First Line Managers can directly implement what they learn during the programme in their day-to-day activities.

Enriching our teammates’ learning and development experience

GRI 103-1, 103-2 and 103-3 for 404

404-2

In a further effort to make our training more attractive and beneficial, we reviewed the way our available online training was presented. As a result, we

simplified our online learning platform ‘Talent2Grow’ to make it easier to find content of interest. Overall, in 2021 4,651 teammates were active on the learning platform, covering 90% of our office teammates. In addition to locally organised face-to-face training and global learning initiatives, the average time spent on the platform in 2021 was 7.6 hours per employee. To increase the virtual training, an online introduction to our training platform has been developed to help our office teammates navigate and find content.

Along with our digital platform and leadership development programmes, we also successfully initiated **a new set of optional discovery sessions open to all Etex teammates.** These were in-depth sessions on a specific topic. For instance, in 2021 a sustainability discovery session took place with a diverse group of 22 participants. The participants explored sustainability

challenges and opportunities and how Etex relates to these, and left with a personal sustainability action plan.

Moreover, in the second half of 2021, we organised our Senior Leadership Summit ‘**Shifting to real imPPPPact**’ which was built around four topics: corporate social responsibility (Planet), leadership (People), customer excellence (Profit) and alignment between personal and company ‘Purpose’. About 110 of our Senior Leaders attended multiple face-to-face workshops on topics such as ‘digital marketing’, ‘insight sales’, ‘education’ and ‘discover your purpose’. We strongly believe that if teammates can articulate their own individual purpose and see the alignment between their purpose and the organisation’s, **we can collectively shape the long-term future of the company and have a stronger business and societal impact** contributing to our umbrella purpose of inspiring ways of living.



Etex Argentina



Etex Ireland

Building an environment for our emerging talents

GRI 103-2 and 103-3 for 404 404-2

Our global learning programmes have been particularly impacted by COVID-19. However, this didn't stop us continuing to deliver them to our emerging talents. We redesigned them for a 100% virtual learning experience and doubled the frequency to reach more Etex teammates across the globe. Our Etex Explorer programme is one of these initiatives.

Launched in 2018, the **Etex Explorer programme** offers a unique learning journey for rising Etex talents with the goal of accelerating their development in the company while offering new insights into several functional domains. The Etex Explorer programme is about deepening the understanding of

Etex, enhancing business acumen, and working on raising self-awareness. Above all, it's an opportunity to connect with teammates from across the globe.

In 2021, 41 teammates from 13 countries participated in our Etex Explorer programme (accounting for a total of 1,375 learning hours). All regions and functions were represented, and the programme was highly valued by our teammates as seen in the Net Promoter Score¹ of 76%.

Participants explored different functional management topics including Corporate Social Responsibility, Disruption and the Customer-centric Organisation and Strategy. Alongside the Vlerick Business

School, fellow teammates from across Etex gave presentations, as did several members of the Executive Committee. For the first time, every session took place virtually to comply with COVID-19 safety regulations. However, networking and interaction continued to play key roles in the programme to forge strong relationships.

We also continued with our **Personal Development Booster programme**. This is a somewhat atypical programme as it does not focus on knowledge transfer or skill development, but is aimed at personal reflection and discovery for teammates to think about their ambitions and grow their network. This is a journey of about a year where we work on a personal coat of arms, migration map and individual development planning. Each participant is allocated a mentor halfway through the programme to accompany them on their journey.

In total, 1,860 hours were spent in group initiatives such as the Etex Explorer, Booster and Leadership Essentials programmes, 3,522 hours in the First Line Managers programme and more than 35,000 in Talent to Grow for online training, the Global Induction programme and the Discovery Session on Sustainability.



¹ The question used is "How likely would you recommend this Explorer Learning Journey to your friends or Etex teammates?". The answer scale is from 0 to 10. Those who score 9 or 10 are considered promoters, those who score 7 or 8 are considered neutral and those who score below 7 are considered detractors. The NPS is calculated as follows: % promoters - % detractors.



OUR PEOPLE

Fostering a culture of understanding and inclusion

GRI 103-1 and 103-3 for 405

Etex's culture is all about teaming up, working together, motivating, inspiring and taking care of each other. We know that our success depends on our talented and diverse employee base. We have a strong conviction that diversity of thinking helps us to deliver a strong and sustainable performance. It is also essential for us that everyone feels part of the team. In this spirit, we are committed to equal opportunities and zero tolerance for discrimination, which we also stipulate in our Code of Conduct.

In our 2021 'Me & Etex' employee engagement survey, 76% of female and 77% of male teammates agreed that Etex's management supports diversity and inclusion. We want to live up to our teammates' expectations, which is why diversity, equity and inclusion has been elected as one of the top sustainability priorities for the company.

Diversity, Equity and Inclusion – Starting Point Diagnosis and Analysis

GRI 103-2 and 103-3 for 405

In 2021, we formed the first group of volunteers who conducted an in-depth contextual analysis that resulted in diversity, equity and inclusion goals and an action plan for our organisation. The team carried out a diagnosis based on a self- and external assessment of the topic. The results were clear: on the one hand the overall sector faces shortages of skilled workers in several of the markets we operate in, while on the other hand our internal data analysis revealed that bringing gender balance into all levels of the organisation is a high priority.

Among other diversity factors we reviewed the gender spread for both office and factory teammates, and compared it with the previous year. We also considered the gender representation of our leavers and our new hires. In addition, we got a first glimpse of the gender representation across job types and levels.



“Interacting with different teammates from different countries is very inspiring and enriching to me.”

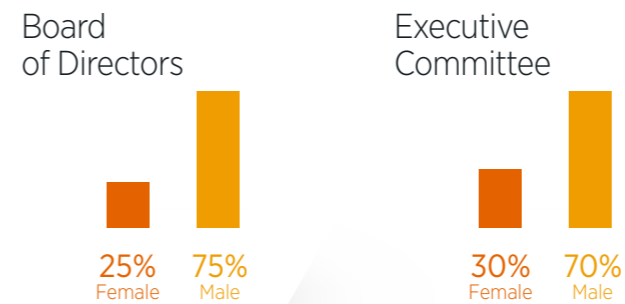
Etex diversity metrics in 2021¹

GRI 102-8 | 102-22 | 405-1

Breakdown by gender



Gender diversity in top management



Age diversity in top management

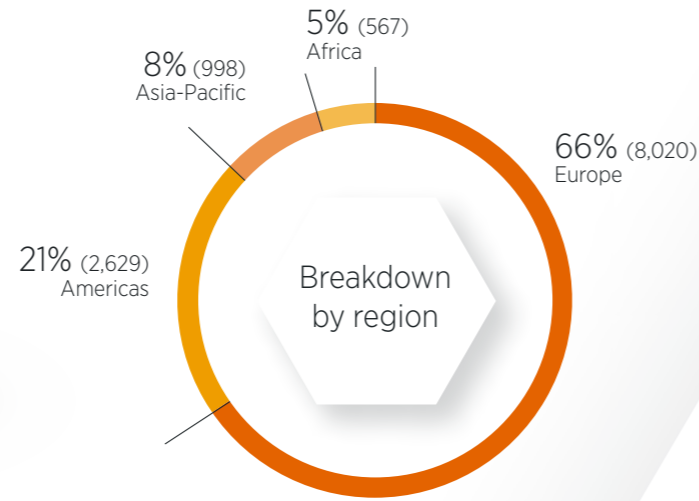
BOARD OF DIRECTORS (12 MEMBERS)		EXECUTIVE COMMITTEE (10 MEMBERS)	
Under 30 years old	0%	Under 30 years old	0%
30-50 years old	33%	30-50 years old	20%
Over 50 years old	67%	Over 50 years old	80%

¹ We are currently consolidating our data on age diversity across the categories of office-based and factory-based employees, and we are planning to report it in our next Sustainability Report.

OUR PEOPLE

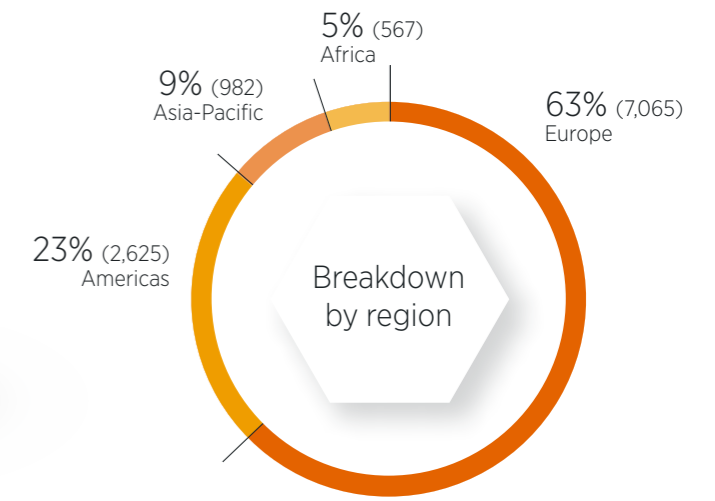
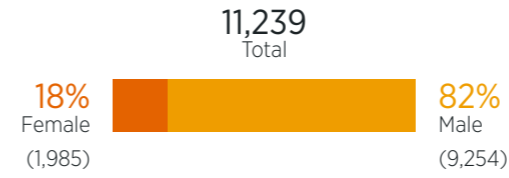
Total number of employees¹

GRI 102-8



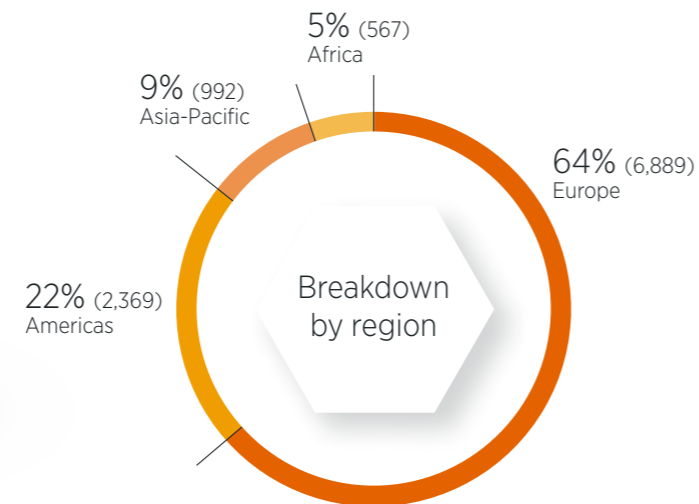
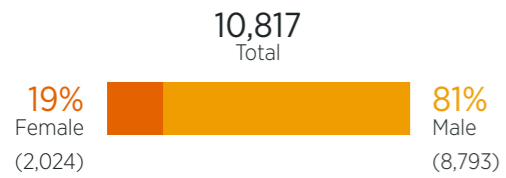
Full-time employees²

GRI 102-8



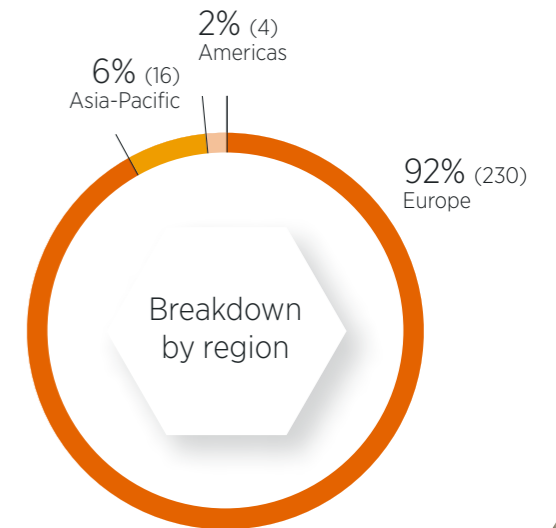
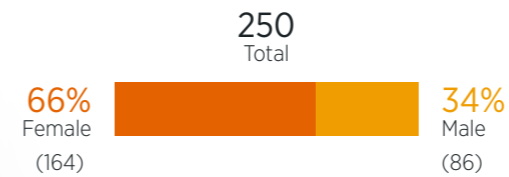
Permanent employees²

GRI 102-8



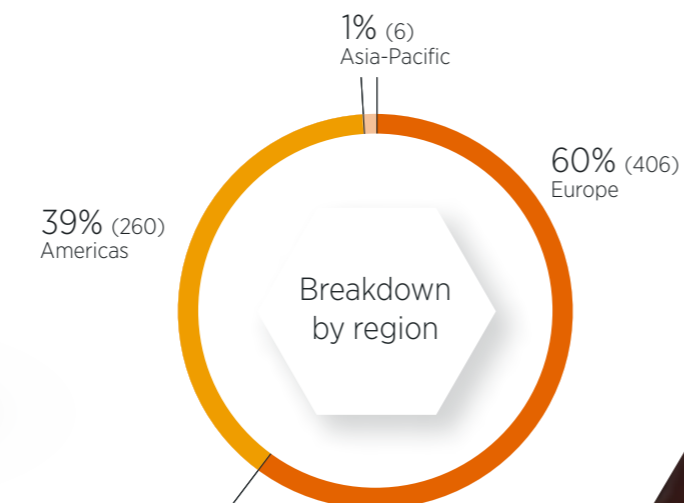
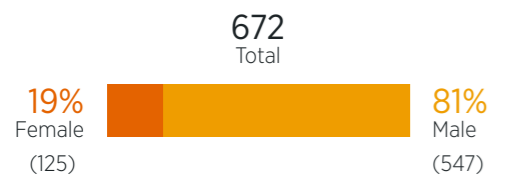
Part-time employees²

GRI 102-8



Temporary employees²

GRI 102-8



¹ Figures refer to the Etex group employees global headcount at 31/12/2021.

² The breakdown of personnel figures in 2021 excludes three entities:

Pladur (Spain; 491 employees), E-loft (France; 174 employees) and Horizon Offsite (Ireland; 60 employees).



Diversity, equity and inclusion - our goals

GRI 103-2 and 103-3 for 405

The analyses and assessments helped us to set goals that will foster an inclusive environment where all employees are respected and empowered. This level of information provided the key insights used to set our diversity, equity and inclusion agenda for the coming years, with three main targets to begin with in 2022.

Our goals are set to give equal opportunities to all Etex teammates, to **assure progress towards a more equal gender representation throughout the different levels in the organisation and to identify potential barriers and opportunities in order to accelerate the pace of change.**

By creating strong governance on the topic and setting a robust framework of global policies and practices, we strive to **make inclusion an intrinsic part of our processes and employee life cycle, from recruitment through onboarding and development.**

Our target is to attract and retain top talents. We believe that by focusing on pipeline development, hiring and promotion, adoption of inclusive workplace policies and elimination of any unconscious bias, we can progress towards a more balanced gender representation.

Our efforts should also be reflected in our rewards philosophy and practices ensuring equal pay for work of equal value for each employee category. In that respect, during 2022 we conducted a thorough analysis of existing compensation structures and packages and with the aim to close any illegitimate pay gaps by 2025. In particular, 2022 is used to align employee job categories by looking into job architecture, job levelling and skill frameworks and understanding the objective criteria used to explain legitimate pay gaps. The roadmap also includes analysing our rewards philosophy and framework to ensure it is fully inclusive. Aligning on these two levels and educating managers responsible for hiring and salary reviews will ensure smooth equal pay monitoring moving forward.

Our goals for 2025

1 Strengthen governance and framework

Cover 100% of teammates by diversity, equity and inclusion policies, procedures and practices. Make diversity, equity and inclusion an intrinsic part of all stages of employee life cycle:

- Address systemic barriers to inclusion through global policies and procedures
- Increase diversity e.g. through hiring processes and talent management

2 Train 100% of teammates on diversity, equity and inclusion

Build a culture of inclusion by addressing unconscious bias and enhancing understanding of diversity, equity and inclusion.

3 Eliminate the gender pay gap

Achieve equal pay for work of equal value:

- Analyse existing compensation structures and packages
- Review compensation and benefit policies





Decent work for all

Sustainable Development Goal (SDG) 8 calls for “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” and highlights the importance of achieving equal pay for work of equal value. For us at Etex, the topic of wage growth and wage equality are central to our agenda. In 2021, after a successful pilot of running the salary review and variable pay through our internal HR digital platform, we have increased the scope of teammates covered by the centrally driven process which aligns principles, timing and transparency

across the globe. In total, we collected salary review information for 2,800 teammates, and we have included the possibility of processing local variable pay schemes through our internal HR digital platform and will continue to encourage this in the years to come. Having uniform processes across regions and businesses in one data source increases transparency and equity and simplifies the management of these processes by managers, regardless of where their teammates are located.

Fair compensation and benefits also remain a focus point. A thorough exercise took place in 2021 to investigate our grading methodology and external benchmark provider to ensure it fits with our organisation. This analysis has been crucial, as these factors are the foundations that impact salaries, employer value propositions and internal mobility. We continue to work with market data salary ranges. These give us an indication of the competitiveness

of our salaries in the market. The market data is built from salary data from big international organisations, and the ranges are typically higher than the minimum wages, although market data and associated salary ranges are not formally measured against minimum wages in the different markets. This market data does allow us to account for cost of living as, where relevant, it provides regional ranges in order to take into consideration the differences in cost of living across certain regions of a country. Another way to factor in living standards and teammates maintaining buying power is determining the annual increase budgets for which we get external data on inflation rates typically over a 12-month period. We indeed have countries with extreme inflation rates, so these are of course monitored and adjustments made more frequently.

Full and productive employment and decent work for all extends to

teammates being able to combine work and life commitments, with opportunities to disconnect and rest.

In this respect, 100% of our teammates are entitled to paid time off and 24 hours of rest within a timeframe of 7 consecutive days. There are however deviations from this for directors with specific contractual conditions.

Local operational responsibility

We operate globally but do not disregard local dynamics.

We do so by adopting a ‘glocal’ approach (global and local). Our local teams remain empowered to support the deployment of any centralised policy and commitment taking into consideration local practices, legislation and culture. At the same time, the global centres of expertise provide the group direction, practical guidelines and training with a particular focus on

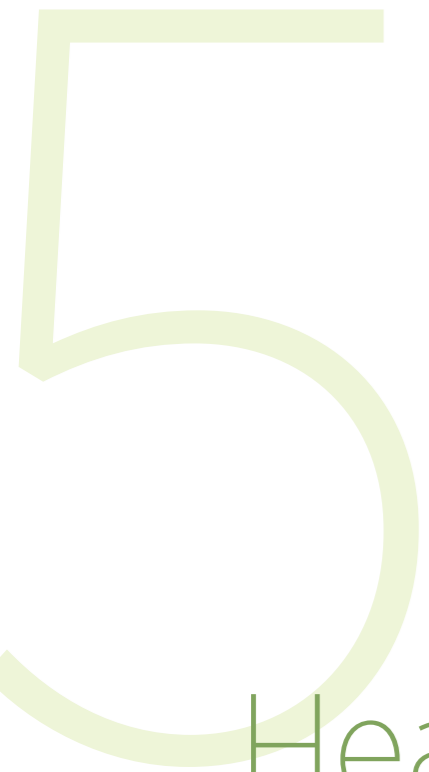
topics such as employee dialogue, diversity, compensation and benefits, talent management, recruitment and integration, and mobility.

Outlook

GRI 103-2 for 404 and 405 | 404-2

While 2021 has been a year of developing and piloting different leadership development opportunities, 2022 will be the year where we bring these programmes to life. We have two exciting development programmes in the pipeline for 2022 as part of our journey of supporting our leaders. We will launch the Leadership Essentials programme which is tailored for teammates who moved into a leadership position for the first time or who want to strengthen their leadership skills. Furthermore, we will scale up the Lead to Inspire programme which is custom-built for teammates with several years of experience in senior leadership positions and who can be described as ‘managers of managers’. Both programmes are fully aligned with our Leadership Principles and values. We also plan to explore the assistance we are providing to employees who are retiring or whose contract has been terminated.





Health,
safety and
well-being



Together towards a safe and healthy workplace

GRI 103-1, 103-2 and 103-3 for 403 403-1

Every year, we strive for a zero accident and zero occupational illness workplace. Unfortunately, 2021 was marked by two work-related accidental fatalities in Etex Chile and Argentina, and in May 2022 we recorded one fatality among our contractors in the Etex Cartagena plant in Colombia. These tragic accidents were profoundly felt within the organisation. Detailed investigations of these cases have been led by external specialists, and corrective actions have been put in place locally and globally. Furthermore, we have set up a taskforce to evaluate our safety roadmap for Hazard Identification and Risk Assessment (HIRA) and speed up implementation as part of our commitment to ensuring health and safety risks are reduced to the lowest acceptable level in 2022 and beyond.

The work carried out in our factories requires using heavy machinery and powerful tools, and handling large loads. In this environment, even a small oversight can have serious consequences.



This is why we have made it our priority to have facilities that are designed, operated, maintained and inspected in a way that ensures a safe environment and continuous hazard management. It is important for us that healthy and safe working conditions are fostered in an integrated and worker-centred manner. At the same time, by maintaining a stable and productive workforce through our combination of health and safety management measures, we continue to support our ambition of operational excellence.

Ensuring safety in our daily life is a task that never stops: whether our workers are on or outside our premises, or during the commute to and from work. **Our structured and continuously evolving approach is built around**

our teammates who, with their experience, professional attitude and dedication to caring for each other, take responsibility and ownership every day to respect and apply safety rules and regulations, and intervene when needed to prevent unsafe work conditions. Etex's health and safety management system comprises a comprehensive combination of policies, standards, responsibilities, training, evaluation, targeted programmes and follow-up on our goals and targets, all of which motivates us to do better every year. We commit to complying with all relevant laws and regulations of the countries in which we operate and strive to go beyond compliance with regulation.

With the changes to how we work, whether pandemic-induced or not, we want our colleagues around the world to have the tools, training and support to be safe and healthy at work and outside. **We realise that well-being at work goes beyond physical safety** and commit to taking steps to improve our approach to mental health and well-being for all our employees through activities like the Etex Challenge ([read more on p.51](#)) and our Employee Assistance Programme ([read more on p.52](#)).

Our safety performance in 2021

GRI 403-9

We are saddened by the fact that in 2021, despite our best efforts, we had two work-related accidental fatalities among our temporary workers and non-permanent contractors¹. Our thoughts and condolences are with the bereaved. Among our employees, temporary workers and permanent contractors, three high-consequence work-related injuries (frequency rate of 0.12) were recorded last year. Beyond the one reported fatality among our non-permanent contractors, we did not record any high-consequence work-related injuries in this group.

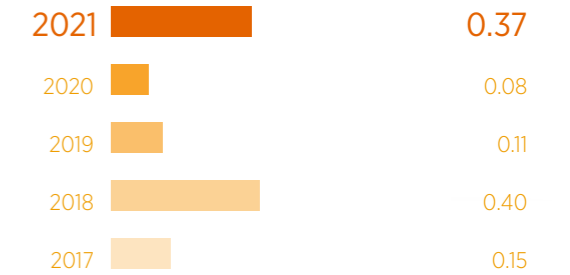
Etex-wide safety figures in 2021²

GRI 403-7 403-9

Our safety figures include Etex employees and the following contractors whose work or workplace is or was controlled by Etex: temporary workers, and employees of our permanent contractors³. The figures correspond to 24,387,000 hours worked. Rates are calculated based on 1,000,000 hours.

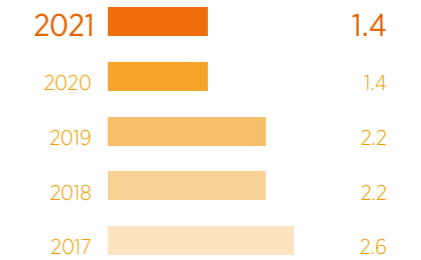
Gravity rate of accidents

Level of absenteeism after an accident. The higher the rate, the more severe the accident.



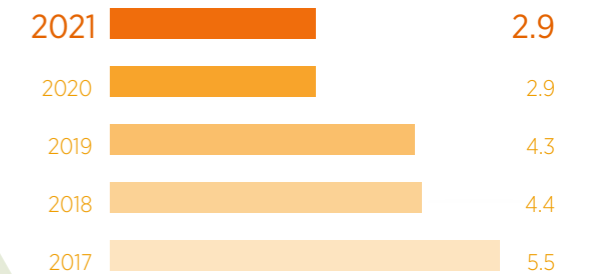
Frequency rate of lost-time accidents

Number of lost-time accidents per one million hours worked



Total accident frequency rate

Frequency of lost-time and medical aid accidents per one million hours worked



¹ A third fatality relates to a non-permanent contractor. Since the working hours of our non-permanent contractors are not tracked, the group of non-permanent contractors is not included in Etex's fatality rate. In 2021, this rate reached 0.04 for the combined group of employees, temporary workers and permanent contractors.

² The figures exclude the entities acquired in 2021, to allow comparability of the reported performance. The entities are: plasterboard business in Australia, New Ways acquisitions and joint ventures which are part of the New Ways activities. These figures will be included in the group-wide reporting scope when the acquisitions will be fully integrated and aligned with Etex's health and safety management, which is planned for 2023-2024. The safety statistics are collected as an aggregate for employees, contracted temporary staff, employees of permanent contractors and anyone else whose work we control at our premises. We do not collect this data for our employees separately, since we consider safety equally important for all the aforementioned groups.

³ Non-permanent contractors working on our premises also have to adhere to Etex's standards and rules; implementation and control are a joint responsibility. In the meaning of the GRI definition, we control their workspace but do not 'control' the work of these workers. We currently do not track their hours worked on our premises and thus do not include them in the calculated rates based on hours worked. We are exploring possibilities to improve this in the future. For the absolute number of lost-time accidents, see the section '[Our continuous improvement path](#)'.

A human response

GRI 103-2 and 103-3 for 403

Each serious accident and fatality that occurs affects not only the victims, but also their families, our teammates and their work. **Where necessary, we offered psychological support to the victims and their colleagues at the factories.**

The families of the deceased workers of our contractors were morally and financially supported, as was the immediate community, in line with Etex's values. We take pride in our reputation as a good employer, and fully supported authorities and labour inspection investigations, in line with applicable local regulations.

Our continuous improvement path

GRI 103-2 and 103-3 for 403

403-2 403-4 403-9 403-10

At Etex we have found different ways to detect and address risks. For example, we conduct systematic HIRA of all routine tasks, and we measure results through operational, corporate and external auditing and reporting processes.

We carry out a **thorough process for identifying occupational exposure assessment and characterising the safety and health-related risks in the workplace.** For instance, regarding injuries, the total number of accidents in 2021 was 85 for our employees, temporary workers, permanent contractors and non-permanent contractors. We learned from our analysis that in 2021, the four main categories of injuries were (non-specific) pain, fracture, deeper cuts; and bruises; 51% of recorded injuries fall into

these categories. In terms of identified hazard categories, the majority of recorded injuries (59%) referred to manual handling, slip and trip, energy isolation and work at height. Our analysis shows further that, including the two fatalities, there were 16 accidents with a potential or real life-changing effect for Etex employees and contractors while working for Etex.

These results are valuable for our regular evaluation of our health and safety measures and the decision on the extent to which adjustments and refinements are needed. They also confirm the **importance of ensuring full implementation of the HIRA principles and other critical standards identified.**

Throughout the year, we also encourage safety observation and conversations, through which our leaders can spot, identify, discuss and mitigate hazardous situations. In 2021, the EHS app helped us to record learnings and to translate these into actionable measures. For instance, we improved and automated our system to send safety alerts to the factories after an accident. This shared information led to corrective actions to make equipment, procedures and work instructions safer and to have an impact on the behaviour of workers. We also prepared and distributed new versions of standards and specifications when fundamental improvements needed to be made.

How we deal with an incident

GRI 103-2 and 103-3 for 403

403-4

Every fatality, lost-time accident, medical accident and serious near miss is reported in our internal EHS mobile app. In it, our workers are guided through the protocol for accident investigation. They describe the event and provide information including injury type, pictures if available, SafeStart states and errors, immediate actions carried out, names of witnesses, etc.

Subsequently, a timeline of events leading to the accident is established, along with an accident investigation team, which will try to identify the root causes. The team then presents an action plan and a closing procedure with steps towards remediation and prevention.

This information helps us to learn immediately and improve on a constant basis: teammates can quickly and directly receive safety alerts. A report on learnings is produced, and to ensure widespread management awareness, the relevant manufacturing leadership team, the Chief Manufacturing Officer, and the divisional and global EHS Managers are debriefed.

Etex sites which celebrated major safety milestones in 2021



Ferrybridge, UK

4 years without lost-time accidents



Villeneuve-sur-Lot, France

6 years without lost-time accidents



Colombes, France

13 years without lost-time accidents

Occupational health

GRI 403-2 | 403-6 | 403-10

In 2021, we carried out and updated occupational exposure assessments to fully understand health-related risks in the workplace. Learnings from three cases of work-related illness recorded in 2021 fed into our assessment. We also continue our yearly minimum monitoring campaign to evaluate occupational exposure limits, with a strong focus on inhalable and respirable particles.

In the case of workers with mainly nerve damage due to repetitive work and/or



work involving vibrations, we took action to mitigate these hazards following the hierarchy of controls.

1. Adaptation of work pattern based on monitoring of vibrations during certain types of activities (cleaning activities with potential high dust exposure)
2. Investment in monitoring devices to have more accurate exposure assessment, providing an alarm in the event that the regulated threshold is exceeded
3. Training and communicating throughout the business-executing activities with high risk of vibration exposure
4. Specific medical surveillance of workers highly exposed to vibration risks by conducting nerve induction

We also promote health through various campaigns, e.g., on flu vaccinations or the benefits of daily exercise (see more information on p.51 on the Etex Challenge).

Clear targets for Hazard Identification and Risk Assessment (HIRA)

GRI 103-2 for 403 | 403-2

We defined a set of minimum requirements for the HIRA standard and asked all our factories to self-assess against them. In 2021, our plants put tremendous effort into evaluating their implementation of the HIRA principles, posting an average score of 90%.

The EHS leadership's teamwork has involved assisting in preparing HIRAs for most routine tasks, reviewing and calibrating these, planning health and safety peer visits for 2022 and HIRA training refreshment courses, as well as adding last-minute assessment procedures for non-routine tasks into our EHS app. Our Plant Focus Programme is ensuring all plants align with our safety management expectations.

In 2022, we will work on completing 100% implementation of our minimum requirements. This includes calibration, quality enhancements and checks that mitigation actions are taken where needed.

How we ensure that everyone is involved

GRI 103-2 and 103-3 for 403 | 403-2 | 403-4 | 403-5

Our continuous improvement is possible because of the ownership that our teammates show at all levels, and the valuable diversity of knowledge they bring. This involvement is based on constant dialogue and learning.

We involve internal stakeholders that are in key positions and need to be aware of and support making the changes throughout the organisation. In particular, Plant Managers and EHS Managers at factories are kept up to date on the latest developments through webinars and other forms of internal communication.

Regular meetings organised by Health and Safety committees help us drive internal dialogues. These committees are a legal requirement in most countries, so Etex has such committees, which include elected worker representatives, at almost every factory. The outcomes of the usually monthly or bi-monthly meetings are displayed on the workers' information panels.

Another crucial element is our health and safety training. In 2021, each Etex employee received 20.8 hours of training on average. Training sessions are organised locally in line with their specific needs. We set objectives and targets for monitoring and continuously improving our EHS activities. Our training programme includes a wide range of topics, from risk reduction and risk management to ergonomics in the workplace, to ensure the health and safety of all.

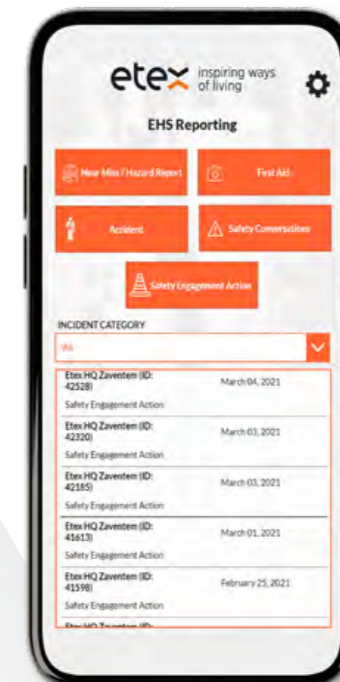
Data-powered awareness and safety engagement: Etex EHS app

GRI 103-2 and 103-3 for 403 | 403-1 | 403-4 | 403-9

We use the Etex EHS app and the Etex Site Excellence Tool to collect data. Any near miss, incident or accident must be reported in this EHS app. This also supports our safety engagement activities, where we encourage employees to report near misses, safety observations and conversations, and safety engagement activities. We make monthly reports available to managers. The Site Excellence Tool gives us an overview of the self-assessment and/or audited scores for implementation of the minimum requirements of each standard. We also collect information for reporting purposes through this tool.

The effectiveness of our health and safety processes is monitored through, for example, our safety intensity score. We strive for a score of 1 on this measurement, which means we expect 1 safety engagement activity per employee per month. In 2021 we had an average of 1.57 safety engagement activities per employee per month – far above the target.

The EHS app not only proves immensely beneficial when it comes to collecting data, it also supports the dissemination of learnings and allows workers to easily access and look up safety information at any point on our sites.



Free access to medical examination

GRI 403-3

Aligned with our value Connect & Care and the legal requirements of local entities, our employees and permanent contractors at manufacturing sites have free access to occupational health examination during working hours. These medical services are delivered at least once a year by internal or external experts with recognised qualification or accreditation.

Where an occupational medical doctor is present in-house, additional medical advice beyond occupational health is available for employees.

When it comes to safety: you can say ‘NO’

GRI 403-2

We promote reporting on near misses, unsafe behaviour and unsafe conditions.

People are allowed and even encouraged to say “NO” if a task or job cannot be carried out safely.

Our teammates must say no:

- if they feel they are not fit for the job (physically or mentally)
- if they feel they have not been trained properly
- if their action would breach one of our life-saving rules linked to our critical standards
- if they are asked to carry out a non-routine job without a proper Last Minute Risk Assessment (LMRA)
- if they feel unsafe: there is nothing so urgent that it should jeopardise one’s own safety
- if they don’t have the right tools to carry out a task

Ensuring our high standards group-wide

GRI 103-2 and 103-3 for 403

403-1

To ensure that we live up to our ambitions group-wide, our corporate EHS department has set up the Site Excellence Tool with which sites can self-assess and track compliance with our standards at least once a year. During visits and exchanges, the self-assessments in the Site Excellence Tool are evaluated and corrected.

In addition, several of our sites have been ISO 45001 certified and are internally audited as a requirement of this international health and safety standard. These sites cover 60% of Etex’s employees, temporary hired employees and permanent contractors.



#TeammatesOfEtex
#UnitedToInspire

Gracias a SafeStart, podemos reducir los riesgos en nuestras actividades profesionales y personales, y podemos ayudar con este modelo a nuestros familiares y amigos.



Jorge Orrego
Chief of Innovation and Development
Etex Manizales
Etex teammate since 2018

“Thanks to SafeStart, we can reduce risks in our professional and personal lives, and we can share our insights with family and friends.”

We have also started to fully integrate Etex’s health and safety principles into the group’s recently acquired companies.

Integrating our new entities into our health and safety management

includes ensuring visible and accessible leadership, implementation of health and safety standards, a sound health and safety organisation, and introduction to the SafeStart programme. For entities where we identified gaps, we are allocating specific resources and implementing programmes.



A changed world: ongoing COVID-19 pandemic

GRI 403-6

While globally we are past the acute phase of the pandemic, 2021 was a year of ongoing monitoring. **The COVID-19 crisis management team kept the highest standards in place to protect our teammates, enabling us to minimise business disruption.** From June 2021, we relaxed our strict rules in some countries, subject to high vaccination rates. Despite all the measures, teammates

still faced the threat of infection in their private lives, and sadly 15 teammates passed away as a result of a COVID-19 infection in 2021. Our human resources teams have been supporting the affected families.

In line with World Health Organization advice, Etex launched a vaccination promotion campaign last year, with medical specialists available to answer teammates’ questions. **We encouraged our teammates to think and act appropriately to protect themselves, their families and their team.** Where available, we gave them the opportunity to get vaccinated.

(Fund) raising the bar: The 28-day Etex Challenges

GRI 103-2 and 103-3 for 403 403-6

In April 2021, we launched the first of three 28-day Etex Challenges. This initiative in partnership with a start-up sought to **encourage teammates to create healthy daily habits by committing time each day to reach, and hopefully exceed the physical activity recommendations of the World Health Organization (WHO).** The programme was presented to our teammates through an associated app,

and it was designed to offer a wide range of activities and be inclusive of, for example, wheelchair users. Our teammates competed to break their own records, but also to contribute to global NGO Habitat for Humanity.

The 150 minutes exercise per week recommended by the WHO was achieved



by nearly 50% of the participating teammates during the first Challenge. Over 10% even achieved 300 minutes or more.

Based on the success of 2021, we continued the Etex Challenge in 2022. Two four week rounds of global competition started in May, raising money together for charity; this year teammates were able to access on-demand exercise videos along with live team exercise sessions and info sessions on well-being.

In addition, we are providing all year round access to the app behind the challenge, allowing teammates to use it as motivation at any time.

In 2021, over 3,000 participants to the Etex Challenge logged:



763,894 km of distance-based activities

An additional **28,896 hours** of time-based activities

13,283 milestones were achieved

127,247 activities

That is literally to the Moon and back again!

It's the same duration as 19,250 football matches

18 teammates achieved 50 or more milestones, the record being one Belgian teammate personally achieving over 100 milestones!

EUR 17,000 raised for Habitat for Humanity



"Thanks to the Etex Challenge I managed to connect with teammates from across the world who inspired me to walk 470 km across the three challenges. I even managed to complete a 10 km run during that period and signed up for the next challenges in 2022!"

Paul Sparrow,
Business Unit Manager for Tunnels, Etex UK



Mental health and well-being: 24/7 assistance programme

GRI 103-1, 103-2 and 103-3 for 403 403-6

Sound mental health and well-being are vital at work and beyond, but due to life events, work-related matters or personal challenges, and especially in light of the pandemic, this has proven to

be difficult at times. At Etex we want to promote health and well-being for our teammates in a sustainable way. Prior to 2021, we had local Employee Assistance Programmes (EAP) in several countries, to support teammates with both personal and work-related challenges, and to make positive changes in their lives in a confidential setting. The feedback was overwhelmingly positive and with the pandemic still very much present in day-to-day life, we decided to offer this service to all of our teammates and their direct family members globally. **As such, in September 2021,**

we partnered up with a worldwide EAP provider. The programme is accessible 24/7 and available in the local languages of our teammates.

In addition, there are many other local and global initiatives to promote a healthy workforce: from awareness campaigns to webinars on non-work-related disease prevention and running vaccination campaigns. In summary, we strive to support our teammates in leading healthy and balanced lives, both in and outside of work.

“The EAP is there when we need it, a constant in the background. Confidentiality is a key concern for me and the reassurance from our current provider allayed any fears I may have had”

Feedback from a user of the Etex EAP

GRI 403-6

Outlook

GRI 103-2 and 103-3 for 403

In 2022 and beyond, we will strengthen the measures put in place throughout 2021. We have set up a HIRA Taskforce to ensure we continue to improve. For this, we will equip our workers at all levels with the tools and training that are most relevant for them:

- producing a HIRA training refresher course, a HIRA e-learning course and a risk-awareness training course for factory workers;
- EHS peer visits to plants to check and review self-assessments and calibrate the HIRAs at each facility;
- formalising the methodology for last-minute risk assessments, and automating it in the EHS app.

We have also planned to:

- further improve and automate communication around safety;
- improve information sharing with an eye to learning from incidents;
- roll out the global Employee Assistance Programme company-wide;
- continue to offer health inspiration to our teammates via the Etex Challenge;
- roll out a full integration plan of our newly acquired URSA plants. The programme will focus on six key initiatives that will support the creation of a unified EHS structure, the integration in the Etex style of reporting, and will also turn the focus to the critical standards and SafeStart.





Environment



A year of acceleration

GRI 103-1, 103-2 and 103-3 for 302, 303, 304, 305 and 306

One of the key lines in our 'Road to Sustainability 2030' plan is the commitment to **reduce our environmental impact of our own activities and optimise our products with regard to their environmental friendliness, resource efficiency, recyclability and durability.** The proactive initiatives by our local and global teams landed numerous successes. At the same time, we stirred our creative minds in the background to think out of the box and into long-term and strategic innovations and business models, where we can achieve significant wins for both the environment and our business growth.

In all of this we are grateful for our teammates' motivation to come up with new ideas, trial new processes and grow with their experiences. Local achievements in 2021 address a wide range of environmental topics. This includes for example the commissioning of five additional photovoltaic installations on our building roofs in Spain, Italy, Belgium and Germany, supporting customers with LCAs (Life Cycle Assessments) and C2C (Cradle to Cradle) certifications on their sustainability journeys, closing loops in the water use at our plants or finding new value in waste material to significantly increase waste being diverted from disposal to reuse or recycling.

Our purchasing organisation uses a sustainability charter to screen materials before taking decisions. Our operations created the programmes "Continuous

Improvement" and "Industry 4.0" to optimise the responsible use of resources, reduction of emissions and waste as well as the dedicated research for further improvements. In our refined environment-related roadmaps and action plans we integrated learnings from previous years about the value of internal awareness and communication as well as the direction that systematic step-by-step approaches provide.

Leading standards are helping us guide and monitor our progress. 59% of our manufacturing sites are ISO-14001 certified. Several sites use standards for specific environmental topics, such as ISO 50001 for energy management. When we plan new, or the enlargement of existing facilities, we make sure that we consider eco-friendliness right from the start. Our plant expansion at Bristol (UK) for instance follows BREEAM – the Building Research Establishment Environmental Assessment Method – which sets best practice standards for the environmental performance of buildings through design, specification, construction and operation.



Exetex plasterboard facility expansion in Bristol, UK

There is still a road ahead. The building and construction industry is responsible for 39%¹ of all energy-related carbon emissions, over 35% of the EU's total waste generation and half of all extracted materials. Extraction of resources, emissions and effluents are further environmental impacts which we manage with the aim of continuous improvement.

As we continue to grow on our path of environmental stewardship, we come up with new ways to manufacture our products as efficiently as possible, targeting a constant decrease in the amount of raw materials, water and energy used. This obviously requires continuous environmental initiatives. To synergise, the lessons learned in our local companies are shared across the group and implemented by our other companies.

Unless otherwise specified, the environmental data mentioned in this chapter exclude office sites and stand-alone warehouses, as well as entities which were sold in 2021. While e.g., the emissions of our warehouses and offices are marginal in relation to the group's emissions, we plan to include these sites in our emission calculations by 2025 for further accuracy.

The data includes the Australian plasterboard acquisition for the full calendar year of 2021. Other entities acquired in 2021 will be included in the figures of next year's Sustainability Report.

¹ Source: IEA, GlobalABC Roadmap for Buildings and Construction.



Decarbonisation

GRI 103-2 for 302 and 305 305-5

In 2021 we set the course for further reduction of our energy consumption and a shift in energy sources and technologies on a global scale. **As a result, we reduced our greenhouse gas (GHG) emission intensity based on the same scope as in 2020** (from 0.113 to 0.109 t CO₂e/t of sellable finished goods produced). However, due to acquisitions in plasterboard and metal activities, our total absolute emissions of scope 1 (direct emissions) and scope 2 (emissions related to purchased energy) together increased in 2021 compared to 2020 by 14.3%.¹

With our first phase ambition of a **35% reduction of the joint scopes 1 and 2 greenhouse gas emission intensity by 2030** (baseline 2018), we successfully used the year to advance on our group-wide decarbonisation roadmap. One of the measures is to identify and realise immediate initiatives and local emission savings focusing on the coming three years, mid-term initiatives to reach our 2030 target and long-term initiatives to become carbon neutral by 2050.

Photovoltaic installation at Etex Konin (Poland)



This roadmap includes the implementation of innovative process technologies and equipment, energy recovery and reuse, insulation of equipment or any opportunity to move to renewable energy. In 2021 we finalised our energy management plans per site to identify and prioritise the most effective actions per plant, to model the related capital expenditures and to continue the implementation. For example, Etex UK chose a heat recovery project to reduce the energy intensity at our Bristol site.

In addition, **we greatly expanded our transition to sourcing of electricity from renewable sources**, including most of our Latin American operations which resulted in the **avoidance of 110,084 tonnes of CO₂ equivalents group-wide**. The decision to purchase guarantees of origin for the electricity purchases of these operations in 2021 also means that **we increased the percentage of our worldwide purchased electricity from renewable sources to 82%¹**. We also started the investigation into a diverse investment programme

for long-term Power Purchase Agreements (PPA) as we already did in relation to the photovoltaic installations on several Etex plants in partnership with third parties. Additionally, **Etex continues to introduce climate and development initiatives as a powerful way to help us transition to a low-carbon, climate-secure world. One such mechanism is Internal Carbon Pricing (ICP)**. It creates financial incentives for businesses to reduce emissions, save energy and promote low-carbon investments. It does so by setting an internal carbon price for businesses. To drive our investment and business decisions even further we reviewed and updated in 2021 our internal carbon pricing model to a CO₂ cost of EUR 125/tonne CO₂, related to any capital investment or energy decision

made across all Etex divisions and entities worldwide, for any project.

Etex also offers products which help builders and end-users lower their footprints. Examples included the Promat insulation solutions for concentrated solar power technologies, our Siniat solutions for complete exterior walls which drastically increase the structure's energy efficiency, or Eternit's Ecolor ISO, a corrugated fibre cement roofing panel which offers excellent insulation properties and thus energy and emission savings.

Regarding our product design, **key materials such as gypsum and fibre cement have a better CO₂ footprint than alternative conventional options**

such as cement blocks. But we do not stop here. Our innovation department works on several product innovation projects which can improve even further CO₂ footprints.

We are also helping our business partners to achieve their decarbonisation goals. One example is Etex Australia's offer to its clients to opt-in for certified carbon neutrality for all its plasterboard and metal products. The attractiveness of this option is for example acknowledged in the partnership between Etex Australia and Lendlease for the One Sydney Harbour project. This skyscraper project is committed to a 6 Star Green Star Design & As Built rating from the Green Building Council of Australia, and is committed to meeting the requirements

of the Building Sustainability Index (BASIX). Moreover, Barangaroo South in which the project is built is Australia's first independently certified carbon neutral precinct. Our supply of plasterboard and metal products under the Siniat Carbon Neutral Opt-In Programme supports these ambitions and helps Lendlease to achieve the project's sustainability targets.

¹ The 2021 figures differ from those reported in the Annual Report 2021 due to guarantees of origin recorded in the second half of 2022.



Photovoltaic installation in Colombia



Our target for 2030

35%
Reduction of scope 1 and 2 greenhouse gas emission intensity vs 2018

Our greenhouse gas (GHG) emissions in 2021

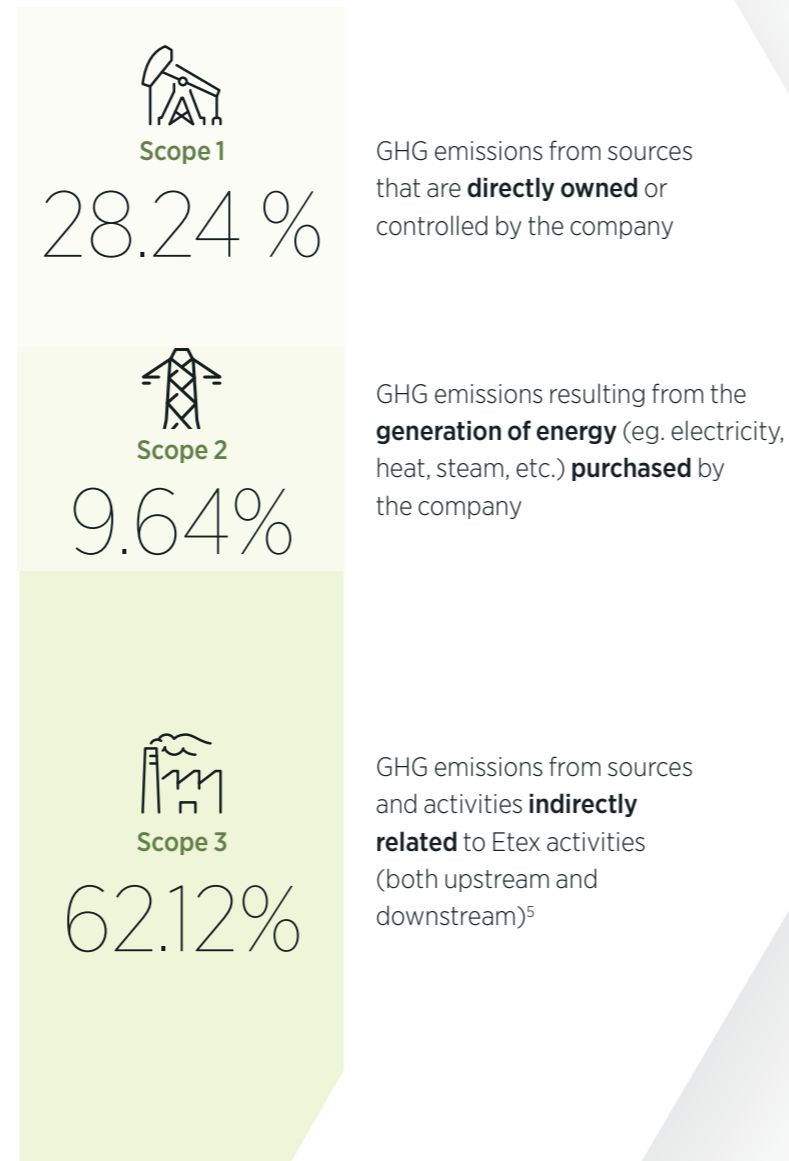
GRI 302-1 302-3 305-1 305-2 305-3 305-4

We report on our CO₂ emissions in line with the Greenhouse Gas Protocol developed by the World Resources Institute and the WBCSD.¹

OUR GHG EMISSIONS	2019	2020	2021
Direct GHG emissions in metric tonnes of CO ₂ equivalent (scope 1) ²	782,634.11	722,874.92	836,049
Indirect GHG emissions in metric tonnes of CO ₂ equivalent (scope 2) ³	157,764.58	71,197.87	71,765.00
GHG emission intensity - scope 1+2 (t CO ₂ e / t of sellable finished goods produced)	0.123	0.113	0.111⁴

CO₂ reduction opportunities exist along the entire value chain. To understand our leverage better, we started a first evaluation of scope 3 emissions which represents around 62% of our total emissions. Main drivers in scope 3 are the use of cement in our fibre cement activities, upstream emissions from fuel- and energy-related activities, the use of gypsum and paper in our plasterboard activities and the inbound and outbound transport of raw materials and finished products for all activities. We will review and develop this first analysis in 2022 at country and product levels following a quantitative approach also including the recently acquired insulation activities (URSA).

Where our CO₂ emissions occur:



Total energy consumption⁶ (GWh)



% Green electricity produced and purchased/ Total electricity consumption



Energy consumption⁷

Total fuel consumption (in GWh)



Total electricity consumption, in joules, watt-hours or multiples (in GWh)



Energy Green electricity sold (GWh)⁸



Energy intensity

GRI 302-2

(KWh/tonnes of sellable finished goods produced)



Key observations

In 2021, **gas made up about 80% of the group's energy consumption.**

The production of plasterboard drives about 60% of Etex's scope 1 and 2 emissions and has the second highest emissions intensity, after calcium silicate.



¹ The base year for our scope 1 and location-based scope 2 emissions is 2018, when we started to consolidate these group-wide. However, due to acquisitions the scope of the group's operations has changed since 2018.

² These scope 1 emissions include: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). Etex does not emit HFCs, PFCs, SF₆ and NF₃, nor biogenic emissions. The calculations were based on operational control and are based on the emission factors and global warming potential rates list published by the UK Government's Department for Business, Energy & Industrial Strategy.

³ These scope 2 emissions include: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), HFCs, PFCs and SF₆. NF₃ is not included.

The calculations were based on operational control and on the emission factors of the IEA database. For the market-based emissions: we buy guarantees of origins for the majority of European countries where we operate, bringing our scope 2 emissions to zero for these sites. The base year is 2018.

⁴ The 2021 figures differ from the ones reported in the Annual Report 2021 due to guarantees of origin recorded in the second half of 2022.

⁵ The scope 3 carbon emissions rate is an estimation calculated based on total expenditure. It expresses the amount of emissions produced per monetary value of goods.

⁶ Total energy consumption and energy intensity represent fuel consumption from non-renewable sources, electricity and heating (including steam) within the organisation. Fuel sources include natural gas, heavy fuel, diesel, LPG and propane. Diesel consumption has been converted to kWh with a 10.67 kWh/litre factor (source: IEA database). Etex currently does not use fuel from renewable sources.

⁷ The scope includes fuel and heating. Etex does not consume any cooling energy.

⁸ Beyond electricity, no further types of energy were sold.

Electricity from renewable sources

GRI 103-2 for 305 305-5

In 2021, we made a further leap towards our target to **source 100% of our electricity from renewable sources**. From reaching this target for all **European countries which are part of the Association of Issuing Bodies (AIB) scheme and for Chile, Argentina, Brazil, Colombia and Peru**, we now also include electricity used by **Argentina, Brazil, Colombia and Peru**. The electricity used in Latin America originates from hydropower. Through this move, we avoided 10,093 tonnes of CO₂ equivalents. The investment is equivalent to 1.5 % of the total spending on electricity in these countries.

How do we improve our products' and solutions' carbon footprint?

GRI 103-2 for 302 and 305

As a first step, we identify our products' emissions hotspots. For example, for our plasterboard solutions, more than 90% of our emissions originate from energy use for calcining and drying as well as from the transport of gypsum. We then set ourselves an ambitious target to **offer our customers less CO₂ intensive and affordable plasterboards by 2030**. To reach this target, we mapped out a portfolio of measures. These include mainly exploiting opportunities for a reduction of the energy usage via the product design and formulation, as well as the manufacturing process. At the

same time, we look into minimising the emission footprint of our energy use by choosing lower carbon or renewable energy sources. Another measure we push forward is the inclusion of biogenic carbon in our products and solutions. Lastly, for the remaining emissions, we plan to offset these.



Horizon Offsite: environmental benefits through modularity and light gauge steel

We believe that offsite, lightweight construction offers building projects to realise a number of environmental benefits, including a reduction in production waste and emission reductions through a reduction in transport. Our Horizon Offsite expert in Ireland offers fully accredited structural light gauge steel systems for modular construction for the residential, commercial and other sectors which can enjoy their environmental benefits¹. For instance, embodied carbon in the building fabric is reduced by up to 20%. High levels of insulation and air tightness are achieved. Renewable energy technologies can be attached and built in. The use of components rolled to length results in no production waste. Site waste is virtually eliminated by the use of prefabricated light steel and modular components compared to the industry average wastage of 10% in construction materials. The modular units can also easily be dis-assembled and re-used.

Energy saving initiatives at Etex UK

GRI 103-2 for 302 and 305 305-5

At Etex UK, our Ferrybridge and Bristol plants successfully achieved efficiency improvement since 2019. In these sites we generated energy savings in our drying processes through the thorough **control of energy metrics. This control provides our operators with a process flow-chart, real-time feedback from gas meters and boardline operation, a live display of energy consumption and pre-calculated limits which are checked hourly.** In

addition, a system for compressor waste heat recovery has been installed in January 2022.

Both plants use 100% of green electricity. As part of the Bristol site expansion, measures starting in 2023 such as state-of-the-art equipment for the calcination and drying process are planned to save 1,855t CO₂e per year.

Embodied carbon assessment of infill walling¹

FORM OF CONSTRUCTION	SELF WEIGHT KG/M ²	EMBODIED CARBON KGCO/M ²
1. Light steel framing and brickwork	240	86
2. Light steel framing and insulated render	43	34
3. Light steel framing and terracotta tiles	82	122
4. Timber framing and brickwork	250	88
5. Brick and block work	291	91
6. Block work with external render	200	69

¹ Source: SCI – Technical Information Sheet ED020.

Time to soak up the sun

GRI 103-2 for 305 305-5

Our existing solar installations in operations across five countries have been a win for Etex and a win for the environment. To expand the benefits of solar energy, in 2021 we have extended our partnership with a Belgian specialist in photovoltaic installations and financing to set up **five further installations at Etex sites in Belgium, Italy and Spain**. The partnership is helping us achieve our decarbonisation goals through the concept of additionality, a term referring to renewable energy generation that is truly new. Solar power provides just that. It is a truly renewable energy source, and a mature and reliable technology, boasting the lowest levelised cost of energy. **With more than 22,000 solar panels scheduled for installation, we transform roof and ground areas, otherwise lying idle, into active, resource-producing parts of our sites.**

In addition, in July 2021 Etex started to install a 944 kWp PV-facility at its



fibre cement plant in Beckum, Germany.

The 2,500 solar modules, installed on the 10,000 m² roof of a fully refurbished warehouse, went into full operation at the end of last year. 90% of the produced electricity are used by the factory, the remaining 10% are injected into the public grid.

The 20-year Right of Surface Agreements signed with our partners reflect Etex's clear desire to push the decarbonisation agenda of our plants forward on all levels. A Power Purchase Agreement (PPA) also ensures that Etex will be buying renewable energy from our partner at a predicted price over a 20-year period. At a time of fluctuating energy market conditions, this provides the welcome added bonus of certainty and security for our business operations as we plan for the future.

The comprehensive process from designing to final connection to our premises and the public grid is expected to culminate in all projects being operational by the end of 2022, with forecasted annual CO₂ savings of 65,049 tonnes on these sites over a 20-year period.

Energy strategy needs innovation

GRI 103-2 for 305

The building industry is a significant user of thermal energy which today still comes mainly from fossil-based fuels. Therefore, despite the emphasis on energy reduction, Etex is working on its long term energy strategy. **We are investigating all options to electrify processes and equipment using renewable electricity.**

Our energy experts are examining any opportunity, specifically in our local markets, to replace natural gas by either biomass, biogas or electro fuels in combination with heat-storage solutions. In addition, together with partners we are exploring investment opportunities in wind energy and the usage of geothermal energy.

To accelerate, in 2022 we started a **groupwide decarbonisation and energy strategy project** which will sharpen our mid-term and long-term initiatives with a strong focus on innovation in equipment, processes and product portfolio.

Providing energy savings to our customers

GRI 103-2 for 302

The acquisition of URSA in June 2022 allows Etex to contribute in reducing the total energy consumption in buildings through high-performance insulation materials. Energy efficiency in buildings is an essential lever to contribute to the European Green Deal and any energy efficiency plan around the globe for a low-carbon world economy. Of all the energy consumed in Europe, 40% is used by buildings, of which two-thirds are used for heating and cooling. In this regard, insulation materials offer significant energy savings and a drastic reduction in CO₂ emissions.

In addition, insulation provides the comfort people deserve to enjoy their homes and offices by creating a safe and healthy environment. Temperature maintenance, acoustic comfort, fire safety and indoor air quality are some of the additional benefits the products of URSA offer.



Unlocking the potential of circularity

GRI 103-1, 103-2 and 103-3 for 306 306-1 306-2

The extraction of natural resources grows at a faster rate than the world population. Of the 100 billion tonnes of resources that the world uses every year, only 8.6% is cycled back into our economy; over 90% of what we take from the earth to fulfil our needs become waste¹. In this context, the built environment serves our need for shelter and as such requires vast amounts of resources. Over one-third of the materials inputs worldwide are for buildings and infrastructure¹. At the same time, **the construction sector is responsible for over 35% of the EU's total waste generation²**. The impact of this resource use — associated GHG emissions, pollution and biodiversity impacts — accelerates climate change and the decline of life-sustaining ecosystem services such as the maintenance of clean water and productive soils.³

As part of the resource-intensive building materials and construction industry we need to leave this cul-de-sac road and find ways to reintroduce materials into continuous circles of material flows. Hence, **Etex defined circularity as one of its five priority areas on sustainability. For us, waste is not waste, but a potentially valuable resource which can be regenerated or repurposed and turned into something new.**

Reduction crowns the waste management hierarchy, since it goes hand in hand with zero impact.

Reuse and recycle offer to prolong material or resource flows, albeit some additional input such as energy is needed. Their ultimate goal is **circularity, a powerful concept which aims at infinite flows of resources**. It is related to concepts like 'cradle to cradle' which mimics the regenerative cycle of nature for businesses' flows of materials and resources such as energy.

Modular construction offers great potential for de-construction allowing the re-use of the buildings' modular components, as well as the separation of materials in a manner that eases their recycling. With our focus on modular lightweight construction, we work towards maximising these circularity benefits in the lifecycle of buildings.

2021 was a year where circularity gained a momentum for Etex. Over a period of four months, we included a wide range of internal key stakeholders to define circularity for Etex and identified a plan of leading circular economy in our sector. To support our planning, we distinguish a set of goals for 2030 covering the full spectrum of our value chain. In the meantime, we optimised our current processes related to waste management and responsible sourcing, innovation and collaboration, and focused on the circular benefits of our products.

¹ Circle Economy, 2022 Circularity Gap Report, January 2022.

² https://ec.europa.eu/growth/industry/sustainability/buildings-and-construction_en

³ <https://worldgbc.org/circularity-accelerator>

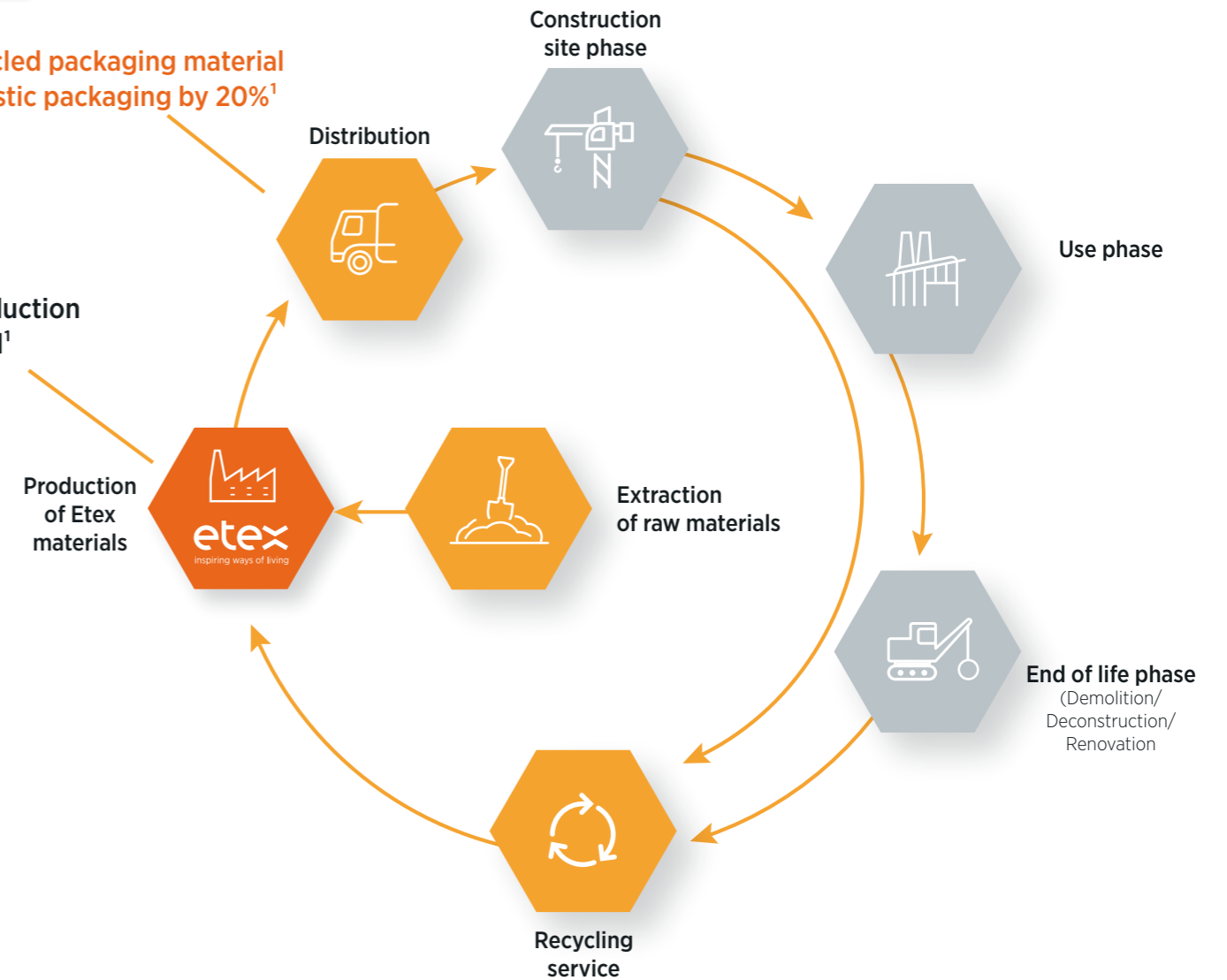
Our circularity goals for 2030

GRI 103-2 for 306

Use **100% recycled packaging material** and **reduce plastic packaging by 20%¹**

0 waste sent to landfill
Goal for 2025: **65% reduction in waste sent to landfill¹**

Use more than **20% of circular input as raw material¹**



Offer a **take back service** of our product portfolio in **80% of our European countries**

¹ Compared to a 2018 baseline.



How Etex Romania eliminated packaging for plasterboards

GRI 103-2 for 306 306-1 306-2

Our sites in Romania used to wrap the entire plasterboard pallets in plastic foils. In 2017 this represented a use of 86 tonnes of plastic. In 2018 our Romanian teammates started to engage with our customers about the need for plastic packaging, in particular for many of the products which go directly to the warehouse of distributors. As a result, in 2018 we could

reduce the amount of products which were packaged in plastic to 50.5 tonnes. By 2021 this was further reduced to 29.8 tonnes. Today we consider plastic packaging as an optional service for customers with specific needs, in which case these customers are buying the plastic foil. Such requests are however marginal, which allowed us to reduce plastic packaging to nearly zero.

Ambition: zero landfill

GRI 103-2 for 306 306-1 306-2

We believe that resources contained in materials should remain available for the economy and society, instead of getting lost through landfilling. Thus one of our circularity priorities is to achieve 100% diversion of waste ending up in landfill. Overall in 2021, waste to landfill has been stable, with a slight increase in our non-hazardous waste from 62,756 tonnes in 2020 to 63,473 tonnes in 2021. In our operations in Europe, we reduced the amount of gypsum production waste going to landfill by 60% in one year.

For the entire group, we strive for zero waste to landfill by 2030 with an **intermediate target to reduce landfilling by 65% by 2025** compared to 2018.

In 2021 we have started to plan the needed investments and engineering solutions to divert our so far non-treatable production waste from landfill back into our production process. We prioritised ten of our sites that were listed as top contributors in terms of non-hazardous production waste diverted to landfill in 2021. These sites are located in Latin America and Europe. The majority of project phases covered in 2021 related to a feasibility analysis of process retrofitting.

The progress so far is encouraging. For instance, at Etex San Justo (Argentina), we recycled 43% of the generated hard waste, and at our Manizales site in Colombia the recycling potential even reaches 67%. At Manizales we also approved investments relating to wet waste and recycling of corrugated sheets. Consequently, 4,669 tonnes of waste could be diverted from landfill.

Based on last year's achievements we are strongly moving ahead in 2022 in Europe and Latin America, with seven prioritised plasterboard production sites and four fibre cement production sites.

Hard waste grinding facility for flat sheets at the Etex Manizales plant (Colombia)



Precrushing



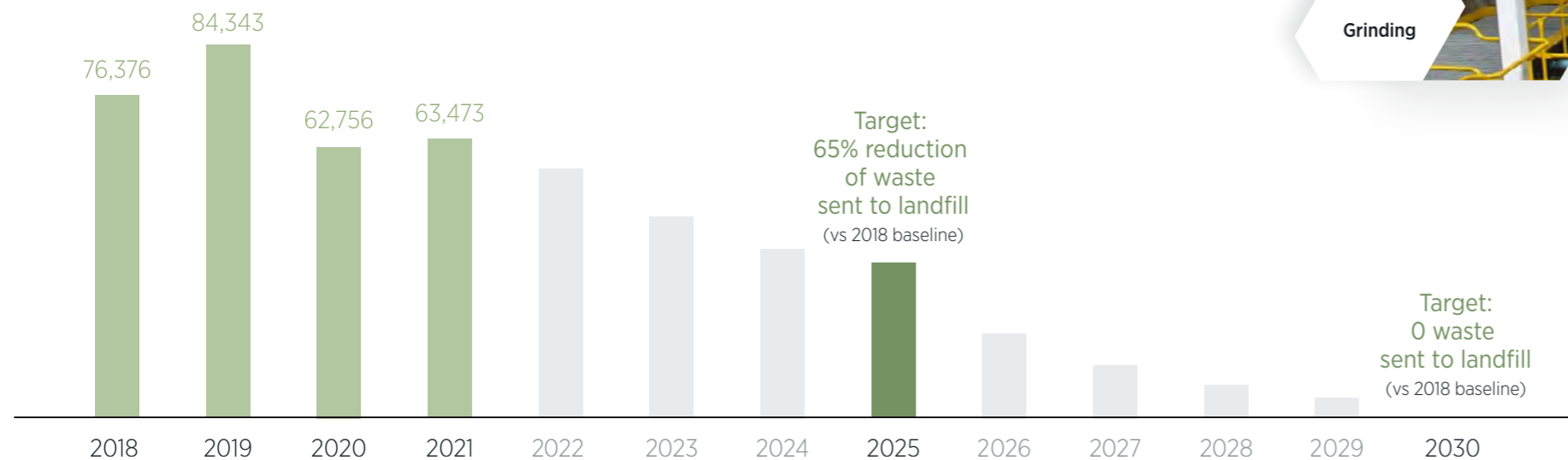
Transport



Grinding

Our goal is to achieve zero waste sent to landfill by 2030

Since 2019 we have achieved a reduction of approximately 25% of waste sent to landfill.



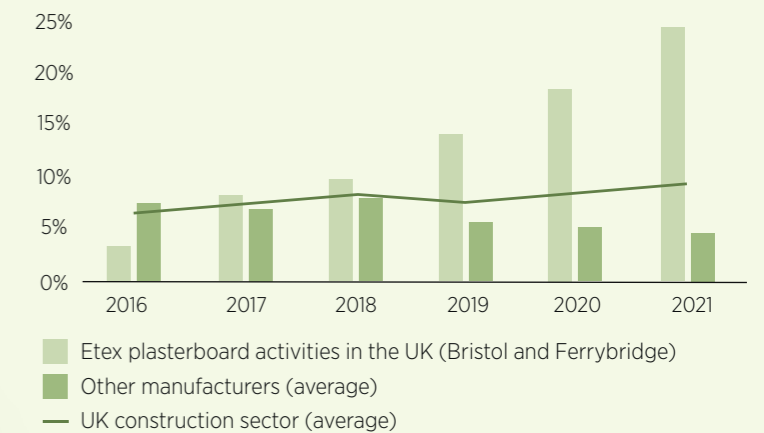
Etex Bristol (UK) – proudly achieving zero waste sent to landfill

GRI 103-2 for 306 306-1 306-2

The Etex team in Bristol, UK managed to achieve and maintain a recycling rate of 100% through excellent waste segregation, increased awareness, new and improved storage, signage, and most importantly, praise where it is due. Moreover, the site team included waste management and recycling in the agenda during staff engagement days and the entire team received a waste awareness and management training course. Our contractors were also involved in our waste management initiatives.

At the same time, our customers are increasingly interested in the recycled content of our products. This has not gone unnoticed, and Etex is now the leader in recycled post-consumer plasterboard in the UK using more than 20% of gypsum deriving from post-consumer recycling of plasterboards.

Post-consumer gypsum recycling rate



'Operation clean sweep' at Etex France

GRI 103-2 for 306 306-1 306-2

Etex France voluntarily engaged in the project 'Operation clean sweep' in 2020, and integrated this experience into its continuous improvement practices regarding plastic waste and plastic leaking into the environment (e.g. EPS granules). This forward-looking approach helps Etex France to be ahead of regulation on plastic waste management.

The year 2021 was dedicated to performing inventories on the expanded polystyrene production site in order to establish action plans for efficient prevention of any plastics released in the environment.

Transparency of circular benefits for our consumers at Etex France

GRI 103-2 for 306 306-1 306-2

Through transparent and reliable information on the circularity performance of our products we can help our customers achieve their sustainability goals. At Etex France for example we are using the 'cradle-to-cradle' (C2C) principles and certifications. In 2021 Etex France increased the number of products which are C2C certified to 117 (+25% year-on-year).

EQUITONE, urban mining and maximising re-use

GRI 103-2 for 306 306-1 306-2

While recycling is clearly an important step, before getting there, we aim to explore all avenues for sharing, maintaining, or reusing, to keep our materials as high as we can in the value chain to minimise impacts on the environment. The longevity of EQUITONE's fibre cement facade materials makes them suitable for urban mining.

The concept of urban mining stems from the fact that, due to limited natural resources available, we can see buildings as future 'mines' and reuse their materials. Fibre cement in particular is very long-lasting and often survives the lifetime of

a building. We thus research and assess how to increase reuse of materials.

As part of the research, various boards were harvested from several locations and brought to Etex's R&D centre in Kapelle-op-den-Bos, Belgium for tests on the potential reuse in facade applications. The tests confirmed the re-use potential of fibre cement. Together with a few stakeholders, we are currently turning this theory into practice on a 15,000 m² project in The Netherlands. More details [here](#).

Another initiative related to EQUITONE materials which are leaving our factories, but do not make it to the construction

site due to cutting requirements for specific building designs. In December 2021, Etex organised the EQUITONE ecodesign challenge with a group of around 30 students from the University of Antwerp in Belgium. Through a brainstorming we identified ways to optimise the products and create value during the production process. More information in this [video](#).

Many of our circular initiatives for EQUITONE were organised with support from Circular Flanders, an inspiring partnership of governments, companies, the civil society and the knowledge community.

The circular potential of fibre cement cladding

Made of water, Portland cement, cellulose and natural minerals, our fibre cement materials are the perfect building blocks for a circular construction industry.



General Hospital Nij Smellinghe in Drachten, The Netherlands



“For a while now, we have been actively seeking dynamic partners to join us in our effort to close the circle. We are witnessing increasing enthusiasm across the value chain, and interesting collaborations are being explored in several tangible projects.”

Maarten Milis,
Divisional Sustainability Product Manager, Exteriors

Innovative recycling solutions

GRI 103-1 and 103-2 for 306

306-1 306-2

To make progress in recycling, we open our minds to new ways of thinking and come up with innovative recycling solutions. 2021 marked a phase of intense exploration of recycling opportunities with external partners. We continued to investigate different scenarios for technology and adaptation opportunities for our manufacturing activities, carried out lab-scale and semi-production research, elaborated on investment opportunities and identified partnerships through which we can create efficient and sustainable loops of material flows. **Circularity has become an integral goal of our innovation activities.** In 2021, we developed three process solutions with circularity as a key benefit and developed a range of products with increased circularity features. Going forward, as part of our plan to dedicate 50% of our innovation efforts to sustainability improvements, we continue to explore circularity opportunities.

Our circularity roadmap: 3 circular process solutions

1 Circular content in design

2 Zero waste sent to landfill

3 Take back & reuse

As a manufacturer, our production process and the design of our products are the focus areas of our circularity efforts. **Main materials such as gypsum and fibre cement offer a long lifespan and have great circularity potential. The fact that Etex' products do not contain solvents or glue further eases recycling.** On the other side, to enable a successful transition to a circular business model we also adapt our value chain with a strong focus on sourcing and procurement. For example, we use close to 100% recycled paper in our processes, and our galvanised steel contains between 12 and 22% recycled steel, depending on the origin. Another example are the plastic buckets for our readymix products in France, which contain up to 30% recycled plastic.

We reckon that closing material loops and identifying respective recycling technologies require efforts from all actors in the industry. To stimulate action internally and with other stakeholders in the value chain, we set ourselves an ambitious target of reaching 20% of recycled content by 2030 for all our products. Etex UK is already demonstrating leadership in our industry through its use of more than 20% of gypsum from post-consumer recycling of plasterboards.

At our Auneuil (France) plasterboard plant we have started to pilot our 'Etex Sustainable Plant' programme with a project to increase the use of renewable energy and increase the reuse of gypsum waste from construction sites. For both of these goals, we have signed agreements with an external partner and are carrying out feasibility studies over the course of 2022.

At our Corfino plant in Italy, we piloted a process to increase recycled input in plasterboard products which allows 100% of the jointing compounds waste to be recycled without any impact on process and quality nor additional emissions.

Regarding fibre cement, another key material, we secured a partnership in 2021 with one of the major recycling companies in Belgium which will ensure from 2023 onwards that our total production waste from our fibre cement sites in Belgium,



Germany and France is recycled and not landfilled anymore. In 2021, these sites achieved around 65% reduction of waste sent to landfill compared to 2020. Moreover, we can use this recycled material in our own production processes, which also leads to cost savings.

To ensure we set the right conditions for reuse and recycling of our production waste, we need to have a range of appropriate measures in place. This includes for example maintaining the identity and quality of our production waste as well as improving respective monitoring systems. Some parts of our organisation already excel in this regard, and we are on track to get to this level group-wide.

As a proactive leader, we also want to **use our leverage to inspire and collaborate with our value chain to enhance circular processes involving cooperation across different steps in the value chain.** For example, we are working

on implementing a take back offer for fibre cement and plasterboard products and materials, among other, in more than 80% of the European countries Etex is active in. This way, we will offer a tangible value to our value chain partners and customers and support their waste management goals. In addition, we are investigating where the value of our waste as input material can be beneficial for industry partners, and conclude partnerships. In 2021, for instance, Etex Brazil diverted production waste from landfill to further value generation for an industry partner.

100% recycled packaging materials by 2030

GRI 103-2 for 306 306-1 306-2

We have started with our ambitious transition to 100% recycled packaging materials by 2030. **With the aim to safeguarding virgin resources and supporting longer lifecycles of materials, we support the absorption of waste from the economy through the purchase of recycled packaging materials.** For example, at Etex Brazil we implemented in 2022 a project to recover wood bearers, which are in some countries a component of our packaging. Recovering and reintroducing these in our manufacturing process not only reduces our need for virgin packaging material, it also reduces our packaging-related costs. Moreover, we are aware of the adverse impacts that conventional plastics can have and thus plan to reduce plastics in packaging material by 20% by 2030, compared to 2018. We hope that the learnings along the way will lead us to implement optimal solutions to reduce plastic even further.

In a nutshell – Our waste management figures in 2021

GRI 103-2 for 306 306-1 306-2 306-3 306-4 306-5

66.2% of the total weight of waste generated in 2021 were successfully diverted from disposal by either external reuse (8,332 t) or external recycling (127,022.34 t). Less than 3% of our waste is hazardous, which is treated according to legal requirements.

Our sites collect the local waste figures and submit these through an app to the central organisation, at which point the data is consolidated and analysed to help us track our progress and support the prioritisation of the most impactful waste management measures.

We currently do not centrally collect the weight of production waste which is fed back into the production process. A central mapping of all onsite recycling and re-use is planned for 2023.

Etex UK Packaging Sustainability Initiative

At Etex UK we conducted a research to better understand our customers' needs for packaging and sustainability. It was clear that sustainability and waste reduction was high up the agenda for both our supply chain customers and contractors with an emphasis on the reduction of packaging waste and single use plastics. One of the drivers for change in this area is the new government tax¹ on plastic packaging designed to

¹ The Plastic Packaging Tax (PPT) was introduced on 1 April 2022.

drive a reduction in plastic use and incentivise the use of post consumer waste. In response we have launched a series of initiatives to reduce our plastic packaging footprint and improve our overall sustainability:

- We are reducing the weight of plastic stretch film used in our plasterboard packs by 35%, saving over 56 tonnes of plastic waste every year. Trials have been completed and production lines will be switching to the lower micron film during Q3 2022;

- We are working with a bucket supplier to switch to an additional 30% recycled plastic content across our ready mixed joint compound range. This will significantly reduce the amount of plastic waste sent to landfill and constitutes a more circular use of resources. This project should be completed by the end of the year;
- We are undertaking a feasibility study to consider introducing a pallet recovery scheme for Siniat Bonding Compound packs to encourage the re-use of pallets and reduce waste.



Successes in our reduction performance

GRI 301-2 for 306 | 306-1 | 306-2

Despite the recent acquisitions adding to the total waste numbers, the success of our activities, in particular improvements in feeding production waste back into the production process, led to a **significant**

reduction in the total amount of waste generated, avoiding 46,051 tonnes. Like-for-like (same scope of entities as in 2020), Etex avoided a staggering 55,661 tonnes in 2021, or 22% of waste year-on-year.

	2019	2020	2021
Total weight of waste generated (in metric tonnes)	278,260.14	253,576.65	207,525.29

Water management

GRI 103-1, 103-2 and 103-3 for 303 | 303-1 | 303-2

Water is a precious resource. It is important as drinking water, to allow nature and agriculture to flourish, or as open water bodies which offer habitats.

At Etex, water is used as an input and process material in our fibre cement and plasterboard (e.g. embedded as crystal water in gypsum) manufacturing processes. This includes for instance water being used in mixtures used in the manufacturing of products, for cleaning and cooling purposes, for water jets in product cutting processes, or by employees for sanitary purposes.

We are continuously exploring opportunities to consume significantly less water. Important for our water resilience management is also the water stress level in the areas we operate in. 46 of our sites are located in areas with low or low-to-medium water stress, while 47 are located in areas with medium-high to extremely highwater stress.

Our sites strive to reuse water as much as possible until it cannot fulfil its primary role anymore. Water is also lost through evaporation, mainly during calcination and the final drying processes. At the same time, we are also supporting healthy water bodies by reducing water discharge. As an example, our fibre cement plant in Gresik, Indonesia, has stopped discharging water to a river by setting up re-use loops for water used in the manufacturing process. The smart design of the process resulted in the plant reducing its discharge to zero. The plant also limits its fresh water consumption supplied by the municipality. Predominant water resources are, next to the reused water from its own manufacturing process, collected rainwater and used process water from a nearby industrial third party, both of which are being treated before entering our manufacturing process. This setup also increases our resilience towards water supply limitations from the municipality.

Minimising the use of potable water

GRI 103-2 for 303

In 2021 we continued to work on our ambition to decrease the use of potable water. At Etex UK, for instance, we are working on maximising the use of borehole water to progressively use less potable water in our production, and we are exploring the increase of rainwater harvesting. The fact that we use 97% non-mains water at our Ferrybridge site makes it one of our top sites regarding minimised use of potable water.



Our 2021 water withdrawal figures at a glance

GRI 303-3

Our KPIs show that while several factors, including an increase in scope of activities and production, led to an increase of our overall water withdrawal in 2021, the success of our local water management initiatives led to a decrease in our water withdrawal intensity.

Total water withdrawal from all areas

(megalitres)



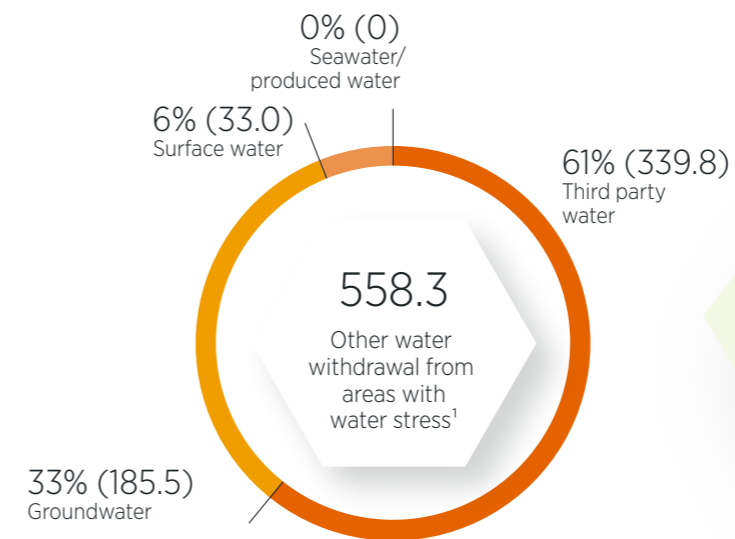
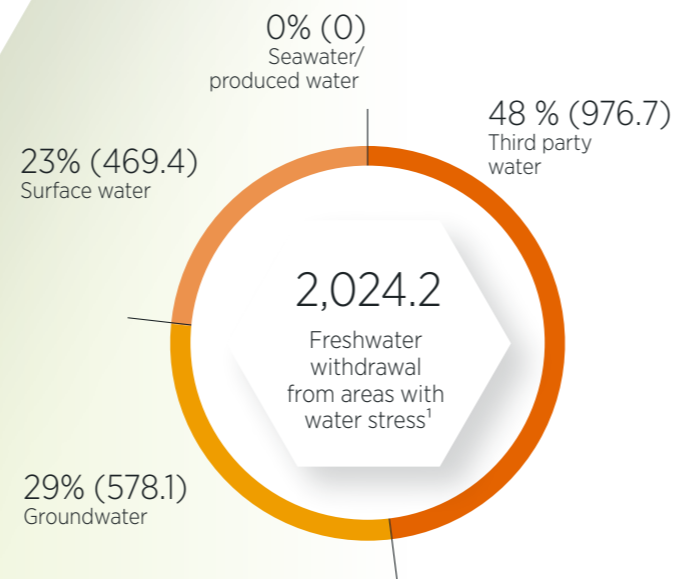
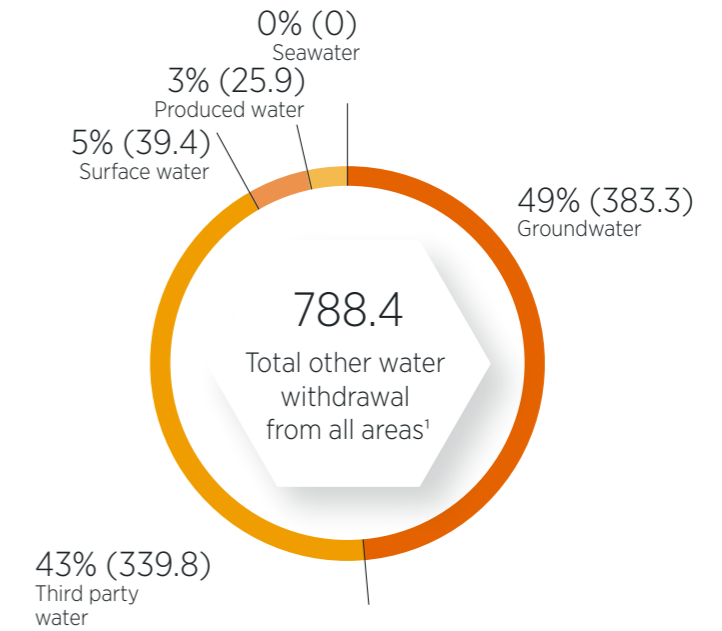
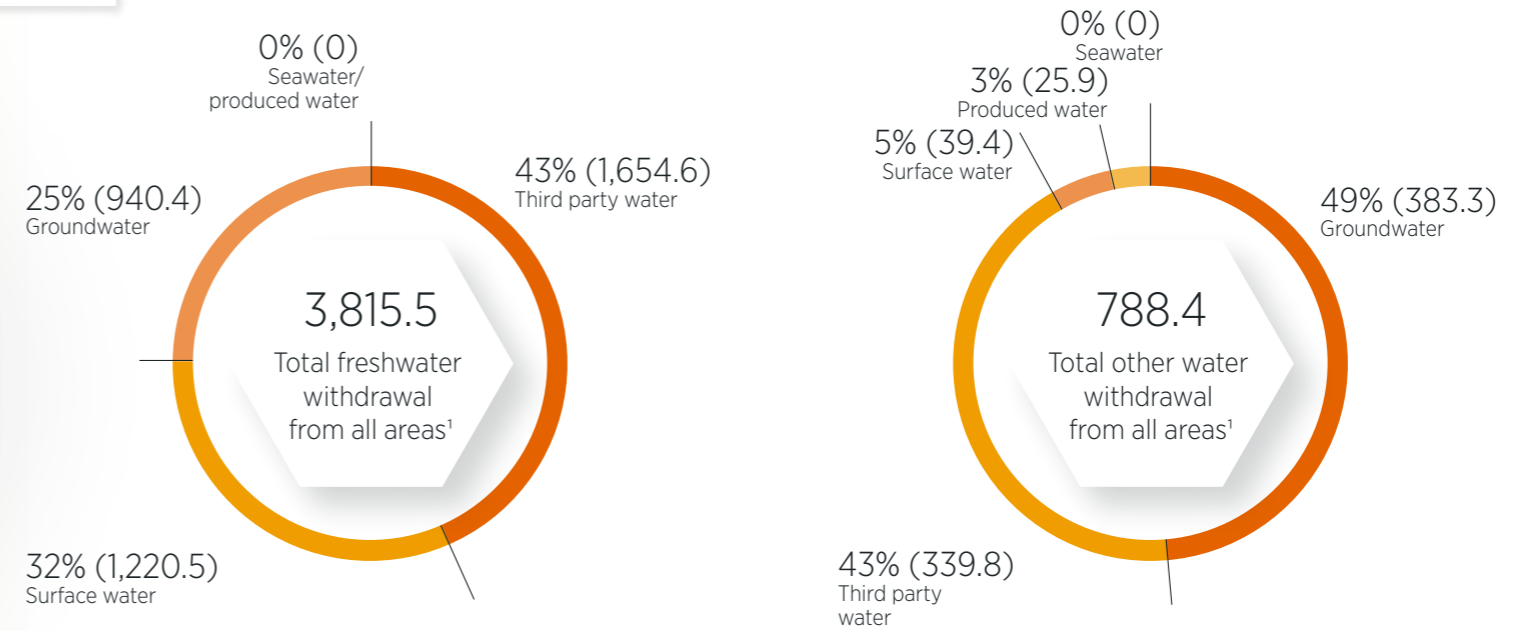
Water withdrawal intensity

(megalitres/t output)



Water withdrawal breakdown

GRI 303-3



GRI 103-2 and 103-3 for 303

303-1 303-2 303-3

303-4 303-5

We are currently working on our site-level reporting system with the aim of sharing additional water-related data in the future, including information on our water discharge, water consumption (and their breakdown) and water management approach.

¹ In megalitres (≤1,000 mg/l total dissolved solids).

Caring about biodiversity

GRI 103-1, 103-2 and 103-3 for 304 304-3

Through the management of our own quarries, we have a great opportunity to support biodiversity. **We are proud to see that our approach is convincing to local regulators and results in effective agreements to manage biodiversity risks and impacts related to our quarries.**

For instance, our quarry in Beuda (Spain) is located close to a cave which houses rare bat and micro-invertebrate species. To ensure that their habitat is not impacted by our quarry activities, fauna baseline studies were carried out in 2021, covering several seasons. We erected a fence to protect the local wildlife from people entering the cave and implemented a continuous monitoring

system to gather real time information on the cave's structural health, such as water conductivity, temperature and the water column level.

We are also aware of the impact that the proximity of our sites can have on adjacent wildlife. At our site in Bristol, UK, for instance, we set up litter control fences to protect local wildlife corridors.

At Etex France, within the framework of administrative authorisations, the three French quarries located in Mazan, Le Pin and Carresse are called upon to make an ecological diagnosis to determine the actions that need to

be implemented in order to maintain an ecological balance on these sites. The three sites are working on a daily basis for the preservation of wildlife and local flora. The activities include habitat preservation of animal species and the safeguarding of plant species which are important to be protected, studying species present on the site in order to preserve them, exchanging updates with local committees or welcoming students every year to discover the world of business and geology for beginners. In 2022, to pursue our commitment to the preservation of fauna and flora, a study will be carried out on the Saint-Loubès site to restore habitats.

Bees, biodiversity and social engagement

GRI 103-2 for 304

On the 20th of May 2021 the Food and Agriculture Organisation of the United Nations announced the World Bee Day under the theme 'Bee engaged: Build Back Better for Bees'. Under the leadership of the gypsum resources team, our quarry management community had already started the year before a campaign to build and install giant bee and insect hotels in 14 quarries in France, Spain and Germany. While due to COVID-19 we had to postpone some of the installations in 2020, we were able to finalise this project in 2021.

The insect hotels aim to stimulate the wildlife, ranging from various insects to small ground animal species. They were manufactured by the Werkstattzentrum für behinderte Menschen der Lebenshilfe gGmbH (WBZ), in Germany. The WBZ shelters around 1,400 disabled people and offers a wide range of services in five factories. WZB has set itself the task of providing people with disabilities with vocational qualifications, further developing their personalities and thus enabling them to lead a life that is largely normal.

Through this initiative we would like to raise awareness of the importance of pollinator protection and the environmental regeneration for agricultural livelihoods and food security, and to inspire others to find ways to support pollinators.

Inspiring ways of living for wildlife: an insect hotel at the entrance of the Etex quarry in Beuda, Spain



Examples of biodiversity management initiatives in our European gypsum quarries over the past 10 years

(source: <https://www.eurogypsum.org/biodiversity/>)

Carresse, Pyrénées-Atlantiques

 France

Objective: Enhancing a Natura 2000-classified river.

Context: The river goes through the quarry. A protection band was foreseen before the quarry started. The Saleys river was diverted to surround the mining area.

Solution: A specific impact assessment study was carried out.

Result: Today, the riparian forest and the river cross the site. The forest constitutes a corridor that allows the free movement of fauna. This continuity is essential for the conservation of the local ecological functionality. In the 2020 ecological diagnosis, this riparian forest was described as belonging to a community habitat called Alder and Ash forest with a remote sedge of small streams.

Area sensitivity: Natura 2000 site (N° FR 7200791).



Hartershofen, Bavaria

 Germany

Objective: Protecting the yellow-bellied toad and the crested newt, both protected species.

Context: Quarries can harbour high biodiversity and provide a substitute for natural habitats, especially for rare and endangered animal and plant species.

Solution: The operation of the quarry is paused during the mating season of the frog, which favours this karstic area.

Result: Good conditions are maintained for the frog's development and reproduction.

Area sensitivity: The Gipshütte quarry is located in a Natura 2000 protected area.



Sorbas, Almería

 Spain

Objective: Recolonising worked out quarries, favouring the species spectrum on site and avoiding alien species.

Context: The gypsum outcrop has a vascular flora with a high variety of exclusive species restricted to this kind of substrates (gypsophytes), and some rarities on gypsum soils like lichens and bryophytes. The variety of vegetal cover is remarkable.

Solution: The ETEX Sorbas quarry rehabilitation programme saw the preservation of the gypsum flora as a priority. All the seeds, plantations and cuttings came from species originally from the quarry itself to avoid the risk of introducing alien species into the outcrop. The restoration of the quarry encompassed the complete system. This quarry is a mosaic habitat, and all species had to be used, especially

those specific to the gypsum outcrop and the most vulnerable ones.

Result: Works started in 2009. 200,000 m³ of soil were moved to create slopes from 7.5% to 27%. The used material was gypsum. Holes and drains were made, and several hundred plants were planted and watered. Seeds and plants picking was organised on-site according to a calendar covering the seeds ripening (April-December). An off-site nursery, able to produce 80,000 plants a year, was erected in collaboration with Exploitation Río de Aguas (ERA) and the University of Almería. Plants production is a process based on three procedures: plants, seeds, propagation by cuttings, all of them collected in the quarry itself.

Area sensitivity: The site is located within the Zona Especial de Conservación "Sierra Cabrera" (Natura 2000 area).





Our social
engagement

Chile



“Our social initiatives are a badge of honor for us as they have a meaningful impact on our communities but also provide a way for teammates to team up and collaborate on a common cause outside their daily work-related responsibilities. We are very proud of our efforts that have helped us build trust and positive, long-lasting relationships both internally and with our communities.”

Jose Luis Faure,
Country Manager, Etex Chile

Reflecting on more than 20 years helping young Chileans shape their future

In Chile, Etex and local NGO Fundación Belén Educa have provided educational support for over 20 years to boost the chances of young people in building the lives they aspire to. The Etex engagement includes 25 university scholarships enabling young people from low-income families to gain a higher education. The students' background and lack of confidence have held many back. To address this, in 2014 a decision was made to provide more help to students in pursuing an education and career. For the last four years, around 20 Etex volunteers from Chile have shared their professional experience, with some 24 keynote talks given to grade 9-12 students every year. Internships at one of our plants in Chile also enable students to gain work experience. We also subsidised building materials, worth some EUR 50,000 per

school. This supported Fundación Belén Educa to build one school every year in low-income areas.

Make-A-Wish®



Make-A-Wish® Chile started back in 1994. Since then, the foundation has made dreams come true for more than 1,800 children with high-risk diseases. It is up to the children to come up with a wish as small or big as they want. Back in 2019 our Chilean teammates managed to fulfil the wishes of six children. Regretfully, during 2021 COVID was still present, so the physical contacts had to be restricted to a minimum. Therefore, only a small group of Etex representatives were able to meet the children and deliver a gift to each of them. In 2021, for example, an 11-year-old boy who has leukaemia got his wish of having a computer, while a 7-year-old girl received an instant camera.

Another boy, suffering from kidney failure at just 5, was over the moon when getting hold of his own Lego®. A 12-year-old boy dreamed of having professional pencils, which he received. Finally, an 8-year-old experienced true joy when he was finally able to decorate his room with Spider-Man merchandise. **The 36 teammates involved in this programme, forming five working groups, found the resources, generated ideas and even dressed up as the favourite heroes of the children.** Our Chilean teammates are committed to continuing their efforts and bringing joy to even more children in the years ahead. Therefore they have signed up to fulfil five more wishes in 2022.

Tú hogar, nuestro sueño



The 'Tú hogar, nuestro sueño' (Your home, our dream) programme at Etex involves improving the homes of teammates and their families. The programme was set up based on specific rules, nomination procedures, voting from the leadership team and a feasibility check from the technical office. **2021 saw seven families benefit from various improvements,** including the remodelling of bathrooms and bedrooms, roof replacements or repairs, upgraded heating, fencing and more. Etex is currently conducting a new technical evaluation of 20 applications based on specific criteria targeting underprivileged families.

Two of the beneficiaries of the 'Tú hogar, nuestro sueño' programme in 2021



South Africa



“Being part of Corporate Social Initiative projects has inspired me and made me look back at my humble beginnings to accessing the industry as a bricklayer. Participating in these initiatives is both self-fulfilling and encouraging.”

Ntokozo Sibiya,
Technical Department, Etex South Africa

Housing solutions bring real change to informal settlements in South Africa

Nearly seven million people live in informal settlements in South Africa, but conditions can be dire with limited access to drinking water and decent sanitation. To help improve the situation in the Western Cape province, we partnered with **Ikhayalami**, a local non-profit organisation. **We bring our strengths in housing solutions** to achieve their aim of providing **affordable technical solutions** for settlement upgrades. Initially we provided construction materials and financial contributions for seven early childhood development centres. In 2021 Etex South Africa then stepped in to support settlement upgrades using **lightweight and prefabricated modular construction solutions**. They similarly helped retrofit the ‘Blessing Educare Centre’ day care facility looking after 136



Ikhayalami’s Blessing Educare Centre

children, with better daylight use and **enhanced acoustics and energy-saving thermal insulation**. Our teammates have also helped **design, plan and execute three building models** from 28 to 70 m², ideal for cottages, classrooms, clinics, offices, homes etc. The buildings are pre-engineered and arrive on-site ‘ready-to-assemble’. The local community helps assessing needs and trains locals in assembling the buildings. **Etex also empowers young people in South Africa to transform their communities through a better built environment**, running lectures on lightweight

construction and inspiring local talents to explore the value and advantages that modularity and lightweight construction offer for the further development of the communities. We recently ran an architecture student project competition with Tshwane University of Technology, where the winning design was assembled in an informal settlement in Itireleng.



Ikhayalami’s Blessing Educare Centre



Ikhayalami’s Blessing Educare Centre

Peru



“I am very proud to be able to participate with my colleagues in SELAVIP’s social assistance projects, now improving the lives of 47 families in poverty conditions by designing and building houses with the Etex drywall system and products.”

Jaime Coronel,
New Business Development Manager,
Etex Peru



Free homes provide safety and protection for vulnerable families

Innumerable families in Peru have inadequate housing – 70% of all construction in the country is informal – due to poverty and a lack of skilled builders. Etex recognised this and has acted. Our goal is to help such families by providing suitable, safe and comfortable homes, at no cost to them.

A coordinated effort



Induction day at the construction site

The process started with the SELAVIP Foundation, which ran a contest for social housing. SELAVIP has been funding housing projects to shelter very poor families living in cities of Latin America, Africa and Asia and has been a long-standing partner of Etex in social projects. In this project, the local NGO Cenca entered and won the 2021 contest. The funding of the project is provided by both parties. SELAVIP’s Latin American headquarters in Chile initially contacted Etex Chile, but all the work and the drywall material donations were made by Etex Peru. **More than 47 low-income families in the José Carlos Mariategui**

neighbourhood, a populous area with low incomes and widespread poverty in Lima’s San Juan de Lurigancho district, **will benefit from the free construction of homes using our drywall construction system.** Cenca is working closely with the community, enabling it to identify which families would benefit most from this project.

Construction system ideal for local environment

The construction process has limitations due to the location of the site on the upper parts of steep mountains, which makes the transfer of heavy materials like concrete or bricks difficult and expensive. Lightweight construction is therefore an ideal solution. The houses will be approximately 27 m², come only with a concrete floor and be built with Etex materials for the rest of each house. The families stand to benefit from the homes’ **fire resistance, anti-seismic characteristics and speed of installation,** with the added bonus of Eternit polyethylene water tanks installed.

To date, 14 houses have been built through the initiative.



Edgardo Bustinza, Senior Drywall Instructor with 24 years of experience at Etex Peru

Training for long-term gains

Recognising that sustainable solutions are the way forward for our communities, **Etex’s technical team trains locals in the use and application of drywall. The locals help in the construction that is managed by a foreman and his/her assistants.** Three people provide training for supply chain and logistics, donations of materials and coordination of delivery. The legal, finance and marketing departments are also involved, notably in preparing contracts and supporting the administrative work of the projects. In total, 10-15 Etex teammates are taking part and regularly communicating with the entire organisation on progress made.



Part of the Etex team in front of the first house with a beneficiary and her family

Belgium



“This project was truly inspired by our ‘Connect and Care’ and ‘Pioneer to Lead’ values. As soon as the destruction caused by the flooding in Belgium became apparent, our teammates initiated to help the victims. Our experience in supporting social building projects in places like Haiti or the Philippines helped us in offering fast and pragmatic action and not get discouraged by logistical or bureaucratic complexities.”

Patrick Balemans,
Head of Division - New Ways

Etex donates modular houses to Belgian families affected by floods

To help several families affected by July 2021's floods in Belgium, five high-quality, sustainable, modular houses were donated by Etex via its brand E-loft. These homes measure between 85 m² and 150 m². They are **built in two weeks on average, at the same time as guaranteeing high quality, thanks to several breakthrough innovations.** The components of each house are manufactured and assembled on production lines in E-loft's factory in Ploufragan, France to form three-dimensional modules ready to be delivered to the construction site, which guarantees controlled processes and minimal manufacturing time. The houses are then transported by lorry to the site, where they are assembled in less than 48 hours. As they are constructed in the factory, almost all the waste is recycled directly there. In addition, the fast and simple construction massively cuts down on the noise and visual



Design for housing components that were installed in Rochefort, Belgium

pollution of the construction sites thanks to the minimal use of lorries or machinery. **This approach reduces waste and energy expenditure by 85% compared with conventional types of construction.** The donation was applauded by the regional Minister for Housing who highlighted Etex's commitment to Belgian citizens and the importance of qualitative modular housing.

Supporting the clean-up of oceans

Promat was happy to step up offering pragmatic and hands-on support when approached by non-profit Wings of the Ocean, which is active in the cleaning of oceans from rubbish and plastics. **We donated over 70 PLURATECT® MARINE LIGHT bonded boards, which Wings of the Ocean needed for a major refit of their 42 m vessel, the ‘Kraken’.** This three-mast ship sails across the Atlantic and Mediterranean to remove plastic and other rubbish from the water and bring awareness about the impact pollution is having on water ecosystems. “It’s a really

big contribution”, says Julie Baudillon, Executive Director of Wings of the Ocean. “Donations are very important for us, as we’re a small NGO, and without such support we wouldn’t be able to operate.” The ‘Kraken’ underwent major renovations, which were completed at the end of August 2022. Wings of the Ocean was looking for non-combustible floor, wall and ceiling bonded panels to protect the ‘Kraken’ in high-risk areas like the bulkhead and engine room and found that Promat products were a great fit. “We are ecologically conscious and we wanted to use high quality materials that will last and align with our mission”, says Julie Baudillon. Moreover, the lightweight and fully recyclable qualities of the boards were also important factors.



Wings of the Ocean's vessel, the 'Kraken'

Colombia



“My family and I sincerely thank every member of Etex Colombia, our directors and teammates, who each contributed in their own way to make my dream come true, having an entire house ready to live in with my family.”

Marlon Suarez,
Operator at Etex Cartagena

My Home is Etex

The programme ‘Mi Hogar Es Etex’ (My home is Etex), was launched in Colombia to improve the well-being of our teammates and their families through financial and non-financial support.

All teammates directly contracted by Etex Colombia can apply for the chance to have **improvements made to their home facades, floors, ceilings and any other part of the house where Etex products can be used, or benefit from temporary housing solutions** (which can be built using steel framing systems) if they and their family live in a building that is in significant need of retrofitting. Eligibility criteria must be met when applying, and an evaluation committee and an oversight committee have been set up to ensure transparency. Etex teammates can also contribute by making their own financial contributions, or by undertaking voluntary construction work.

In 2021, as every year, two beneficiaries are selected. Carlos Mauricio Alvarez, Quality Analyst at Etex Manizales, is one such beneficiary. He describes his experience: “The programme

plays a role as important as any of our activities. The commitment, transparency and social responsibility that come with this great company are making families happy and are part of our purpose: ‘Inspiring ways of living’. I am extremely proud to belong to this incredible team, and my family and I are overwhelmed to see our wishes fulfilled. The passion of everyone involved is a testament to the great team that was there throughout the process.”

‘Mi Hogar Es Etex’ serves to enhance the quality of life of our teammates by **improving their housing conditions, and it generates a positive impact that can inspire and transform family lives.** The programme is also encouraging social work among teammates and their families. This type of good practice can be held up as a model for different companies, with replication possible in other sectors and industries.

The programme started in 2017 and has supported eight teammates and their families so far.



Jhon Rodriguez Pájaro and his family in front of their new house



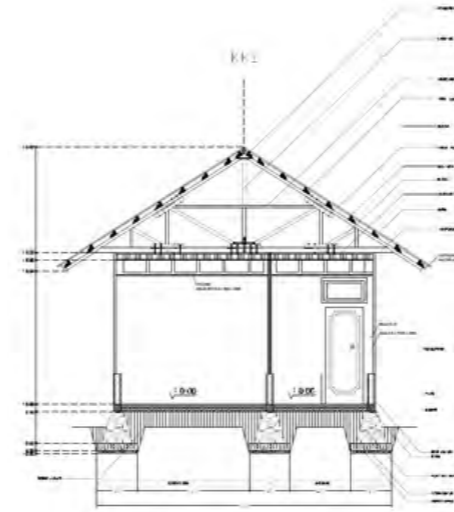
Contributors to the Mi Hogar Es Etex social project

Indonesia



Housing project tackles poverty and unhealthy living conditions

Impoverished housing conditions faced by many in **Kupang**, Indonesia, has spurred **Etex to team up with SELAVIP, our global partner in social housing, and the local Tukelakang Entete Foundation to provide housing to 51 poor families there.** This dry, barren city is located in the East Nusa Tenggara province, one of the poorest provinces in Indonesia and home to 5.2 million residents. Etex and SELAVIP have agreed to **donate Kalsi materials for the construction**, alongside a **USD 70,000 grant** for the project. The construction started in 2021 and is scheduled to last five to six months. For the initial stage, the Tukelakang Entete Foundation will build a prototype to



Model for the houses to be built in Kupang

serve as a model for another 50 houses, all of which will be built on land owned by each project beneficiary.

The beneficiaries will play a key role in the project as construction workers/labourers, cleaning building locations, carrying materials and levelling the house foundations with landfill. The houses will be 5 x 7 m and provide three rooms (living room, dining/family room and bedroom). The construction itself consists of a cement foundation, Kalsi board partitions, zinc roof, Kalsi ceiling, 'Kalsi Listplank', cement floor, triplex doors and glass windows. The Tukelakang Entete Foundation has experience building houses nearby and will therefore handle the technical implementation, while overall project supervision will be handled by an external building consultant. Once the houses are successfully completed, **the Tukelakang Entete Foundation will stand out as an example for other organisations with similar projects in the future.**



“As an Etex teammate, I am proud to be involved in caring for our brothers and sisters through the NTT Housing programme. They suffer from not having proper homes or ones in poor condition. They need our help and we hope our action will reach more people and continue to inspire the community through a better way of living.”

Ketut Redika,
Sales Representative Retail, Etex Indonesia



Nigeria

Offering houses to families in need

Last year Etex teamed up with two NGO's, SELAVIP and SpringAid International Development, to contribute to the 'Housing the poor for full & healthy family life' project, focused on social housing in the city of Owerri in Southeast Nigeria. The goal is to **construct houses for 32 extremely poor, vulnerable urban families living in precarious, deplorable, unsafe accommodation.**

Some 124 people stand to benefit from these efforts, with the families themselves playing an active role in project planning. Eight blocks of housing covering 730 m² will be built, one unit consisting of four apartments of 91 m² with an average of three

rooms each. The project will also serve to make the plight of these households visible to authorities and local communities. By highlighting the right to housing and a healthy environment, and ensuring these are central issues in national debates, poor communities will be aware of their rights. **This critical social project is an example of how it is possible to create access to housing for the poor,** and how, together, communities, companies and social organisations can make a tangible difference in bringing people together.

In 2021, in spite of COVID, SpringAid International managed to progress with the construction of all the houses (more than 30% of all buildings) and is planning to conclude the project by the end of 2022.



Model for the houses



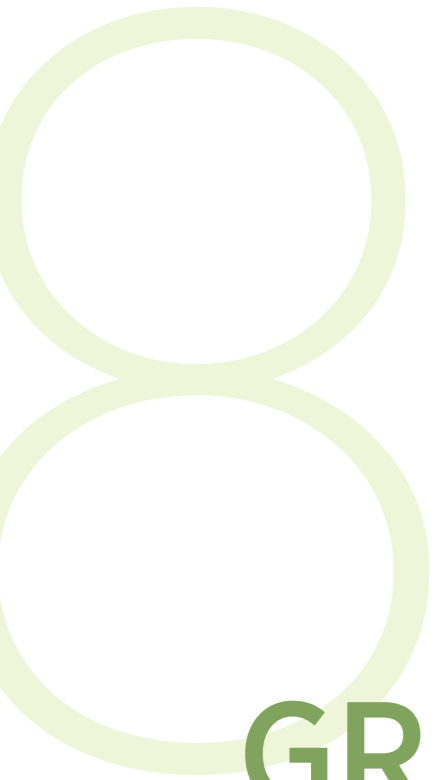
Progress on the Owerri social housing project



Construction of social housing in Owerri

Outlook

We are taking pride in being a socially responsible partner of the communities where we operate. Therefore we will continue to be the best possible neighbour through our social and community projects. For example, in 2022 we agreed at group level to support another social housing project in Abuja, Nigeria, targeting 24 families that are earning a maximum income of \$100 per month. In addition, we keep encouraging all our entities to organise and support local community projects and to consider human rights as a fundamental criterion in the selection and decision processes.



GRI

content index



GRI 102-55

We include this GRI content index in this report to indicate which GRI Standards have been used and which GRI disclosures have been reported. It offers a quick navigation to where these can be found in the report.

Disclosures which are relevant to the GRI 'in accordance-Core' option are fully reported in the meaning of being reported 'in accordance'. They may include explanations for partial omissions, e.g. due to business confidentiality.

GRI Standard	GRI Disclosure	Report chapter	Page number(s) or URL	Coverage
General disclosures				
GRI 102 General Disclosures (2016)	GRI 102-1 Name of the organisation	About this report	P. 2	Fully reported
	GRI 102-2 Activities, brands, products and services	Embedding sustainability into our identity	P. 10 , 11 , 15	Fully reported
	GRI 102-3 Location of headquarters	About this report / Sustainability in the way we do business	P. 2 , 28	Fully reported
	GRI 102-4 Location of operations	Embedding sustainability into our identity / Sustainability in the way we do business	P. 9 , 28 Annual Report 2021, p. 95	Fully reported
	GRI 102-5 Ownership and legal form	About this report	P. 2	Fully reported
	GRI 102-6 Markets served	Embedding sustainability into our identity	P. 9 , 11 Annual Report 2021, p. 15	Fully reported
	GRI 102-7 Scale of the organisation	Embedding sustainability into our identity / Sustainability in the way we do business	P. 9 , 25 , 28	Fully reported
	GRI 102-8 Information on employees and other workers	Our people: From core to care business	P. 43	Fully reported
	GRI 102-9 Supply chain	Embedding sustainability into our identity / Sustainability in the way we do business	P. 12 , 30	Fully reported
	GRI 102-10 Significant changes to the organisation and its supply chain	About this report / Embedding sustainability into our identity	P. 2 , 14	Fully reported
	GRI 102-11 Precautionary principle or approach	Sustainability in the way we do business	P. 25	Fully reported
	GRI 102-12 External initiatives	Embedding sustainability into our identity / Sustainability in the way we do business	P. 19 , 23	Fully reported
	GRI 102-13 Membership of associations	Sustainability in the way we do business	P. 31	Fully reported
	GRI 102-14 Statement from senior decision-maker	Foreword	P. 5	Fully reported
	GRI 102-16 Values, principles, standards and norms of behavior	Embedding sustainability into our identity / Sustainability in the way we do business	P. 13 , 23 , 24	Fully reported
	GRI 102-26 Role of highest governance body in setting purpose, values and strategy	Sustainability in the way we do business	P. 24 , 27 , 28	Fully reported
	GRI Disclosure 102-40 List of stakeholder groups	Sustainability in the way we do business	P. 29	Fully reported
	GRI Disclosure 102-41 Collective bargaining agreements	Our people: From core to care business	P. 37	Fully reported
	GRI Disclosure 102-42 Identifying and selecting stakeholders	Sustainability in the way we do business	P. 29	Fully reported
	GRI Disclosure 102-43 Approach to stakeholder engagement	Sustainability in the way we do business / Our people: From core to care business	P. 29 , 31 , 36 , 37	Fully reported
GRI Disclosure 102-44 Key topics and concerns raised	Embedding sustainability into our identity / Our people: From core to care business	P. 21 , 37	Fully reported	
GRI Disclosure 102-45 Entities included in the consolidated financial statements	About this report	P. 2	Fully reported	
GRI Disclosure 102-46 Defining report content and topic boundaries	Embedding sustainability into our identity	P. 21	Fully reported	
GRI Disclosure 102-47 List of material topics	Embedding sustainability into our identity	P. 21	Fully reported	
GRI Disclosure 102-48 Restatements of information	About this report	P. 2	Fully reported	



GRI Standard	GRI Disclosure	Report chapter	Page number(s) or URL	Coverage
GRI 102 General Disclosures (2016)	GRI Disclosure 102-49 Changes in reporting	Embedding sustainability into our identity	P. 21	Fully reported
	GRI Disclosure 102-50 Reporting period	About this report	P. 2	Fully reported
	GRI Disclosure 102-51 Date of most recent report	About this report	P. 2	Fully reported
	GRI Disclosure 102-52 Reporting cycle	About this report	P. 2	Fully reported
	GRI Disclosure 102-53 Contact point for questions regarding the report	About this report	P. 2	Fully reported
	GRI Disclosure 102-54 Claims of reporting in accordance with the GRI Standards	About this report	P. 2	Fully reported
	GRI Disclosure 102-55 GRI content index	GRI content index	P. 76	Fully reported
	GRI Disclosure 102-56 External assurance	About this report	P. 2	Fully reported
Material topics				
GRI 302 Energy (2016)	GRI Disclosure 302-1 Energy consumption within the organisation	Environment	P. 56	Fully reported
	GRI Disclosure 302-3 Energy intensity	Environment	P. 56	Fully reported
GRI 103 (2016) for 302 Energy (2016)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Environment	P. 54	Fully reported
	GRI Disclosure 103-2 The management approach and its components	Environment	P. 54, 55, 57, 58	Fully reported
	GRI Disclosure 103-3 Evaluation of the management approach	Environment	P. 54	Fully reported
GRI 303 Water and Effluents (2018)	GRI Disclosure 303-1 Interactions with water as a shared resource	Environment	P. 64, 65	Fully reported
	GRI Disclosure 303-2 Management of water discharge-related impacts	Environment	P. 64, 65	Fully reported
	GRI Disclosure 303-3 Water withdrawal	Environment	P. 65	Fully reported
	GRI Disclosure 303-4 Water discharge	Environment	P. 65	Partially reported
	GRI Disclosure 303-5 Water consumption	Environment	P. 65	Partially reported
GRI 103 (2016) for 303 Water and Effluents (2018)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Environment	P. 54, 64	Fully reported
	GRI Disclosure 103-2 The management approach and its components	Environment	P. 54, 64, 65	Fully reported
	GRI Disclosure 103-3 Evaluation of the management approach	Environment	P. 54, 64, 65	Fully reported
GRI 304 Biodiversity (2016)	GRI Disclosure 304-3 Habitats protected or restored	Environment	P. 66	Partially reported
GRI 103 (2016) for 304 Biodiversity (2016)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Environment	P. 54, 66	Fully reported
	GRI Disclosure 103-2 The management approach and its components	Environment	P. 54, 66	Fully reported
	GRI Disclosure 103-3 Evaluation of the management approach	Environment	P. 54, 66	Fully reported
GRI 305 Emissions (2016)	GRI Disclosure 305-1 Direct (Scope 1) GHG emissions	Environment	P. 56	Fully reported
	GRI Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Environment	P. 56	Fully reported
	GRI Disclosure 305-3 Other indirect (Scope 3) GHG emissions	Environment	P. 56	Partially reported
	GRI Disclosure 305-4 GHG emissions intensity	Environment	P. 56	Fully reported
	GRI Disclosure 305-5 Reduction of GHG emissions	Environment	P. 55, 57, 58	Partially reported

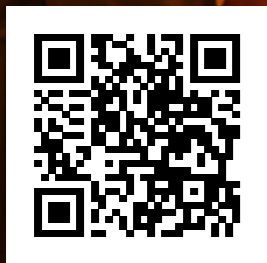
GRI Standard	GRI Disclosure	Report chapter	Page number(s) or URL	Coverage
GRI 103 (2016) for 305 Emissions (2016)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Environment	P. 54	Fully reported
	GRI Disclosure 103-2 The management approach and its components	Environment	P. 54 , 55 , 57 , 58	Fully reported
	GRI Disclosure 103-3 Evaluation of the management approach	Environment	P. 54	Fully reported
GRI 306 Waste (2020)	GRI Disclosure 306-1 Waste generation and significant waste-related impacts	Environment	P. 59 , 60 , 61 , 62 , 63 , 64	Fully reported
	GRI Disclosure 306-2 Management of significant waste-related impacts	Environment	P. 59 , 60 , 61 , 62 , 63 , 64	Fully reported
	GRI Disclosure 306-3 Waste generated	Environment	P. 63	Fully reported
	GRI Disclosure 306-4 Waste diverted from disposal	Environment	P. 63	Fully reported
	GRI Disclosure 306-5 Waste directed to disposal	Environment	P. 63	Fully reported
GRI 103 (2016) for 306 Waste (2020)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Environment	P. 54 , 59 , 62	Fully reported
	GRI Disclosure 103-2 The management approach and its components	Environment	P. 54 , 59 , 60 , 61 , 62 , 63 , 64	Fully reported
	GRI Disclosure 103-3 Evaluation of the management approach	Environment	P. 54 , 59	Fully reported
GRI 403 Occupational Health and Safety (2018)	GRI Disclosure 403-1 Occupational health and safety management system	Health, safety and well-being	P. 47 , 49 , 50	Fully reported
	GRI Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	Health, safety and well-being	P. 48 , 49 , 50	Fully reported
	GRI Disclosure 403-3 Occupational health services	Health, safety and well-being	P. 49	Fully reported
	GRI Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	Health, safety and well-being	P. 29 , 48 , 49	Fully reported
	GRI Disclosure 403-5 Worker training on occupational health and safety	Health, safety and well-being	P. 49	Fully reported
	GRI Disclosure 403-6 Promotion of worker health	Health, safety and well-being	P. 49 , 50 , 51 , 52	Fully reported
	GRI Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, safety and well-being	P. 47	Fully reported
	GRI Disclosure 403-9 Work-related injuries	Health, safety and well-being	P. 47 , 48 , 49	Fully reported
	GRI Disclosure 403-10 Work-related ill health	Health, safety and well-being	P. 48 , 49	Partially reported
	GRI 103 (2016) for 403 Occupational Health and Safety (2018)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Health, safety and well-being	P. 47 , 52
GRI Disclosure 103-2 The management approach and its components		Health, safety and well-being	P. 47 , 48 , 49 , 50 , 51 , 52	Fully reported
GRI Disclosure 103-3 Evaluation of the management approach		Health, safety and well-being	P. 47 , 48 , 49 , 50 , 51 , 52	Fully reported
GRI 404 Training and Education (2016)	GRI Disclosure 404-2 Programmes for upgrading employee skills and transition assistance programmes	Our people: From core to care business	P. 39 , 40 , 41 , 45	Fully reported
	GRI Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	Our people: From core to care business	P. 37	Partially reported
GRI 103 (2016) for 404 Training and Education (2016)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Our people: From core to care business	P. 34 , 37 , 39 , 40	Fully reported
	GRI Disclosure 103-2 The management approach and its components	Our people: From core to care business	P. 37 , 38 , 39 , 40 , 41 , 45	Fully reported
	GRI Disclosure 103-3 Evaluation of the management approach	Our people: From core to care business	P. 37 , 39 , 40 , 41	Fully reported

GRI Standard	GRI Disclosure	Report chapter	Page number(s) or URL	Coverage
GRI 405 Diversity and Equal Opportunity (2016)	GRI Disclosure 405-1 Diversity of governance bodies and employees	Our people: From core to care business	P. 42	Fully reported
GRI 103 (2016) for 405 Diversity and Equal Opportunity (2016)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Our people: From core to care business	P. 34 , 42	Fully reported
	GRI Disclosure 103-2 The management approach and its components	Our people: From core to care business	P. 42 , 44 , 45	Fully reported
	GRI Disclosure 103-3 Evaluation of the management approach	Our people: From core to care business	P. 42 , 44	Fully reported
Additional disclosures				
GRI 102 General Disclosures (2016)	GRI 102-15 Key impacts, risks, and opportunities	Embedding sustainability into our identity	P. 12 , 15	Fully reported
	GRI 102-17 Mechanisms for advice and concerns about ethics	Sustainability in the way we do business	P. 24	Fully reported
	GRI 102-18 Governance structure	Sustainability in the way we do business	P. 27	Fully reported
	GRI 102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainability in the way we do business	P. 28 , 29	Fully reported
	GRI 102-22 Composition of the highest governance body and its committees	Our people: From core to care business	P. 42	Partially reported
	GRI 102-29 Identifying and managing economic, environmental, and social impacts	Sustainability in the way we do business	P. 28	Partially reported
GRI 207 Tax (2019)	GRI Disclosure 207-1 Approach to tax	Sustainability in the way we do business	P. 26	Fully reported
GRI 103 (2016) for 207 Tax (2019)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Sustainability in the way we do business	P. 26	Fully reported
GRI 103 (2016) for 412 Human Rights Assessment (2016)	GRI Disclosure 103-1 Explanation of the material topic and its boundary	Sustainability in the way we do business	P. 24	Partially reported
	GRI Disclosure 103-2 The management approach and its components	Sustainability in the way we do business	P. 24	Partially reported
GRI 401 Employment (2016)	GRI Disclosure 401-1 New employee hires and employee turnover	Embedding sustainability into our identity	P. 9	Partially reported



Road to Sustainability 2030

Sustainability Report 2021



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