



INTEGRATED  
REPORT  
2022



**InterCement**  
BRASIL

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REPORT  
**2022**



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BRASIL



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# Message from management GRI 2-22

**We are guided by the excellence of our sustainable operations and the digital transformation of our processes, in addition to the continuous search for a horizontal and inclusive management model, to achieve growing and solid results, as were those of 2022. Nothing will have value if courage is lacking. Therefore, this conduct allowed us to face political, social, environmental and economic uncertainties, and boost the positive impacts of our activities.**

We reinforce our purpose and principles and deepen the connection between what we collectively aspire to as a company and what motivates us individually. This guidance keeps us confident about the future and our ability to honor our environmental, social and governance commitments and goals.

The year was also consistent due to the consolidation and improvement of several projects and initiatives created in previous periods. Our corporate governance complies with the most important recommendations of the New Market to ensure quality and transparency in the conduct of our business. We are becoming more efficient, agile and flexible to evolve to the fullest of our potential, taking advantage of opportunities and consciously and actively managing our risks.

These characteristics, added to the improvement of our people management practices, compliance and ethics, were essential for us to reach the end of the year with good results even in the face of an adverse scenario, in which we were pressured by increased production costs, inflation and high fees. As we increasingly explore our frontier of commercial, industrial and logistics performance, our indicators signal the achievement of high-level results and expressive cash generation.

These accomplishments would not have been achieved with such mastery without professionals who renew their commitment to our purpose every day. We want to be attractive and we work tirelessly so that our teams remain with us and new talents are incorporated.

This path was crowned with recognition by Mercer & Valor Carreira, for the second time, as the 5th best company to work for (compared to companies of the same size) and the 1st in the construction material sector, and also by the Great Place to Work as the 17th company in the industrial sector and 2nd in the construction material sector. The results are also reflected in the continuous evolution over the last four years in our Internal Climate Survey.

We try to reward each one of the professionals, so that they feel valued and respected. In order to develop them, Fábrica do Saber – our internal learning platform – assumed the leading role as a tool dedicated to ensuring professional and personal evolution. Besides, we continue to seek to become more inclusive and plural. A highlight in this regard is the consolidation of the Affinity Groups, which have contributed to our being more equitable, internally and externally. We held the first external event of Construtoras do Amanhã, an exclusive group of women working in civil construction, which mobilized more than 600 people from all over the country.

A relevant part of this performance is also due to the trust given to us by our customers. Our base was expanded by 23% in 2022, with the entry of more retailers, in addition to companies in the technical sales segment. Our exclusive customers have also benefited from an increasingly mature and structured relationship. In addition, our entire CRM (Customer Relationship Management) was reformulated and connected with our commercial digital transformation front: Amigo Construtor, which connects all the links in the construction material market.



**We continue to seek to become more inclusive and plural. An example is the Affinity Groups, which motivated the Construtoras do Amanhã (Constructors of Tomorrow) event, counting on 600 people.**

We strengthened the Partner program for our suppliers, which more than recognizing the performance of our partners, drives the continuous improvement of our joint practices, integrating everyone who relates to us in a constructive ESG agenda. Our customers and suppliers also participate in our training and events related to Compliance, Ethics and Integrity, as well as Occupational Safety – values that were chosen as a focus to be promoted in our value network.

The introduction of technologies and improvements in more industrial units, through the Fábrica Forte 4.0 Sustainable program, is making our manufacturing processes increasingly efficient, resulting in reduced costs and environmental impacts and more safety for employees and outsourced workers. We continued with the expansion of co-processing, which allows the replacement of fossil fuels by elements with lower Greenhouse Gases emissions (waste or biomass) in our furnaces. In addition to lower emissions, we encourage the circular economy, with the possibility of generating income for small businesses – local biomass producers, waste processing companies and waste picker cooperatives.



# 3.1 thousand

*Number of volunteers who took part in our Good Doing Day, benefiting communities in 18 Brazilian municipalities.*

# 45 thousand

*People benefited from the set of actions.*

Small businesses are one of the audiences served by more than a dozen projects managed by the InterCement Institute to bring better conditions and possibilities to the communities in which we are integrated. During the year, this set of actions benefited more than 45 thousand people in 18 municipalities. One of the highlights was the Dia do Bem Fazer (Good Doing Day), an initiative that mobilized around 3,100 volunteers, in addition to approximately R\$ 1.1 million in donations in kind, products and services, besides the active participation of our suppliers and customers.

We are grateful for the effort and commitment of those people who renew their commitment to our purpose every morning and every night. We extend our recognition to shareholders, business partners, and the communities that welcome and develop us. Each one was part of the evolutions of 2022, as well as throughout our history. We have the desire to follow this journey together, to continue evolving and constantly seeking better days for everyone.

**Lívio Kuze**  
**Executive Board InterCement Brasil**

Cajati/SP



# 2.

ABOUT US

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We provide  
infrastructure  
for sustainable  
development





# — Our world

## The greater good

We are part of a living, uncertain and fast-paced world, and we are increasingly becoming aware of its diverse realities. We perceive social, environmental and economic inequalities and injustices. The scale of opportunities, development and sustainability is not balanced.

## Our attitude

We know that, in our internal and external actions, we generate social, environmental and economic impacts, and we are committed to working with transparency and honesty to balance, as far as we can, the balance of our business. We will seek to do good at every point we touch, throughout our business ecosystem and relationships. We believe that we can work in partnership to build a more just and sustainable society, for better days, in a more balanced and dignified world for all people.

## Our business

We are here to enable efficient and sustainable works by producing, selling and delivering building materials, adding value throughout the network.

# Organizational profile

GRI 2-1

**We are InterCement Brasil S.A., a team of over 3,800 direct and indirect employees engaged in the purpose of producing and delivering good every day, so that all people have better lives.**

We are among the main national companies in the industrialization and commercialization of building materials, mainly cement and concrete, assuming a fundamental role in the infrastructure and housing essential to societies and their sustainable development. We are one of the largest producers in the national market, with 15 industrial units for the production of cement, three concrete plants, 21 Distribution Centers, 21 mining operations and participation in three power generators located in ten states in four of the five regions of Brazil. In these units, and in our administrative headquarters, in the city of São Paulo, there are 2,009 thousand own employees and 1,826 outsourced workers, to whom we strive to provide safe, respectful and motivating environments.



The pursuit of operational excellence is supported by investments in technology, research and development, training and innovation. We also developed the Amigo Construtor network, an ecosystem that, through physical and online means, aggregates innovations with a view to strengthening our value network and its members. The Amigo Deliveries ecosystem is part of the ecosystem, whose objective is to gain efficiency and facilitate the logistical operation of the partner stores.

Our cements are sold throughout the national territory under the brands Cauê, Goiás and Zebu, in the General Use, Structure and Exact versions, and concreting services are concentrated in the State of São Paulo, in the Metropolitan Region of the capital. We serve customers of all sizes and in different sectors, ensuring the delivery of products and services with quality, reliability and operational excellence.

We are a publicly-held corporation, registered in category "A" of the Brazilian Securities Commission (CVM), with no shares listed on B3 S.A. – Brazil, Bolsa, Balcão (B3). We adopt high standards of corporate governance, and our benchmarking are the best practices of the Novo Mercado segment. Our sole shareholder is InterCement Trading e Inversiones S.A. We are indirectly controlled by InterCement Participações S.A. (ICP), a Brazilian private equity company that also maintains operating assets in South Africa, Argentina and Mozambique, markets where they are the main national or regional players.

Campo Formoso/BA





### OUR PRINCIPLES

We respect the characteristics of our employees, our operations, suppliers and customers and we dedicate ourselves to understanding what makes each one unique. We walk together based on very clear principles that guide our decisions and actions every day:

**Having life first:** our primary condition for all actions, decisions and attitudes is to guarantee the physical and psychological safety of everyone who interacts with us.

**Do what we believe and say:** we do what we say and believe. For us, the best kind of leadership is by example. We practice genuine commitment and responsibility in all our actions.

**Respect each person:** we value each person for their own way of being. We develop empathy, active listening and transparency to build an environment of respect and freedom.

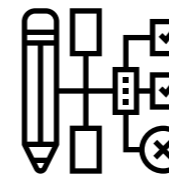
**Do better:** we are open to experimentation, and a spirit of overcoming challenges. We like to know that it is possible to be better every day, continually seeking new sustainable paths.

**Implementing sustainable partnerships:** we are cooperative by nature; we believe in trust as the basis of all relationships. We build bridges with simplicity and clarity, learning together.



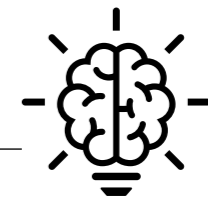
### OUR PURPOSE

Willingness and talent to produce and deliver good every day so that all people have better lives.



### OUR CHALLENGES AND OPPORTUNITIES

- Sustainable Industry 4.0.
- Digital transformation in the value chain.
  - Participatory and inclusive management model.
- Consistent and superior results.



### OUR FUTURE

**We will touch each point of contact in the construction network**, generating experiences of value and trust, with the closeness that our people provide.

**We will be specialists in the sector**, producing and delivering every day the good needed to build better days for all the people who work in our business ecosystem.

**Sustainability and technology will be the main drivers of innovation** in our processes and relationships to fulfill the leading role that society expects from an organization like ours.

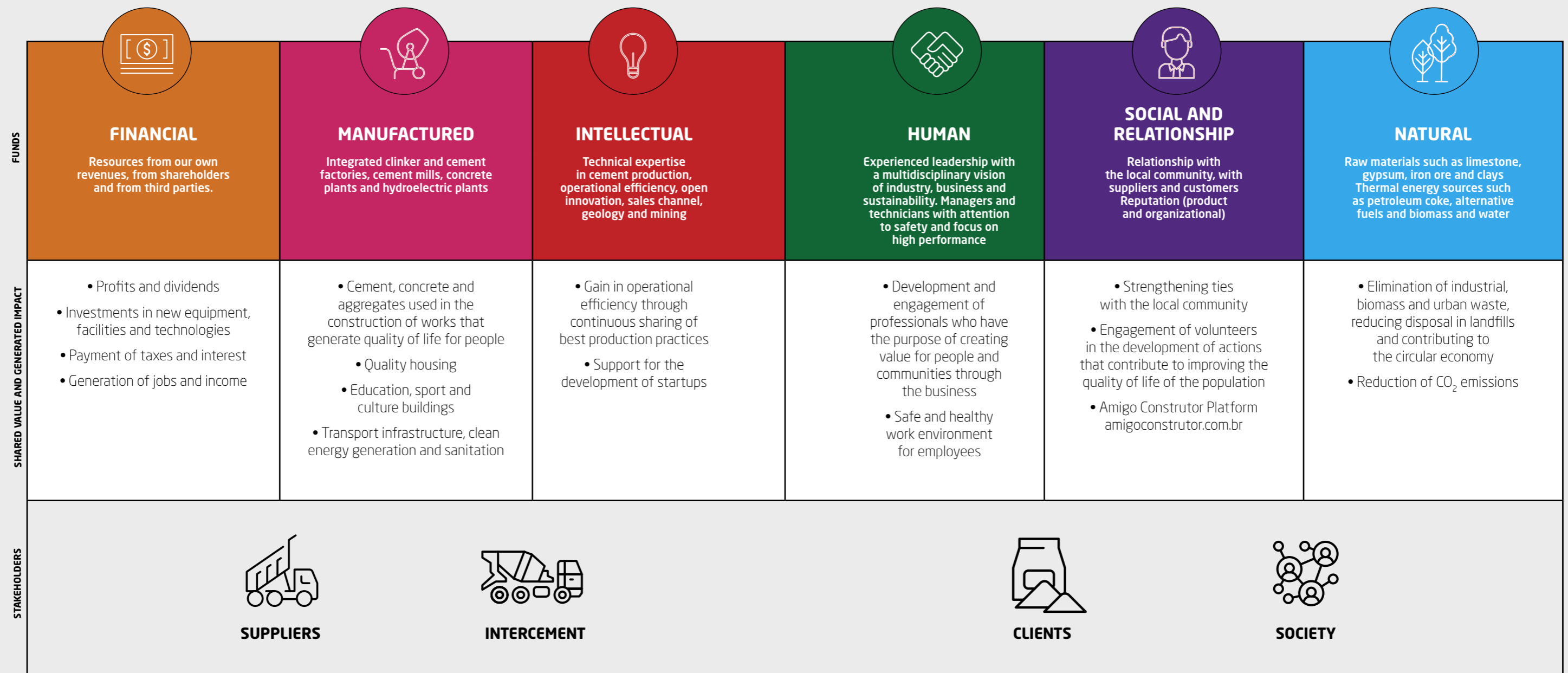
**Our management model will prioritize physical and psychological safety**, bring greater autonomy and inclusion, prioritizing diversity in all aspects and levels, enhancing the generation of value for all teams.

**Our units will continuously share knowledge, practices and solutions**, forming an integrated network. We will challenge ourselves to work simultaneously with excellence and speed, in connection with the society and market in which we operate, so that we can deliver the goods needed for a better world.

# Business Model

Aware of who we are, our principles and purpose, we generate and share value in the short, medium and long term for our audiences and society through our activity and our products, so that everyone has better lives, as shown below:

Our value generation is also presented throughout this report, especially in the chapter "Highlights of 2022". For more information on stakeholder engagement, see our Indicators Booklet (GRI item 2-28) and the chapter "Where and How We Want to Get There – ESG Journey".



# 3.

## ABOUT THIS REPORT

GRI 2-3 | 2-4 | 2-5

Transparency  
guides our  
communication  
with  
stakeholders



**Through our third Integrated Report, we report the main achievements and their results for the period from January 1 to December 31, 2022. The document attests to our commitment and transparency with stakeholders about our strategy and practices to identify and manage risks and opportunities, as well as the main initiatives of operations on the environment, society and the economy.**

This publication complies with the Integrated Reporting Framework guidelines of the International Financial Reporting Standards Foundation (IFRS), created to define and disseminate standards that contribute to increasingly qualified, transparent and comparable reports. It also considers the guidelines for reporting established by the Global Reporting Initiative (GRI), applied worldwide, already in compliance with the new standards that came into force in January 2023.

At the end of the report, we also present two annexes with data on our performance in 2022. The first includes specific indicators for the Building Materials sector proposed by the Sustainability Accounting Standards Board (SASB) as a way of guiding the disclosure of financially relevant sustainability information to investors. The second brings together data related to five pillars identified by the Global Cement and Concrete Association (GCCA) as fundamental for the cement and concrete sector and which should guide initiatives and goals of the sector's members.

The financial information follows international standards and good accounting practices adopted in Brazil, in addition to the rules of the Brazilian Securities and Exchange Commission (CVM), and was submitted to an external audit by Ernst & Young. The other quantitative and qualitative data were internally validated by the responsible areas and approved by the Management bodies.

This publication was ensured by Grant Thornton Brasil – Audit, Consulting and Taxes, in accordance with the rules of the Securities and Exchange Commission (CVM).



**Questions and suggestions about this document can be sent to [integracao@intercement.com](mailto:integracao@intercement.com)**



# Materiality

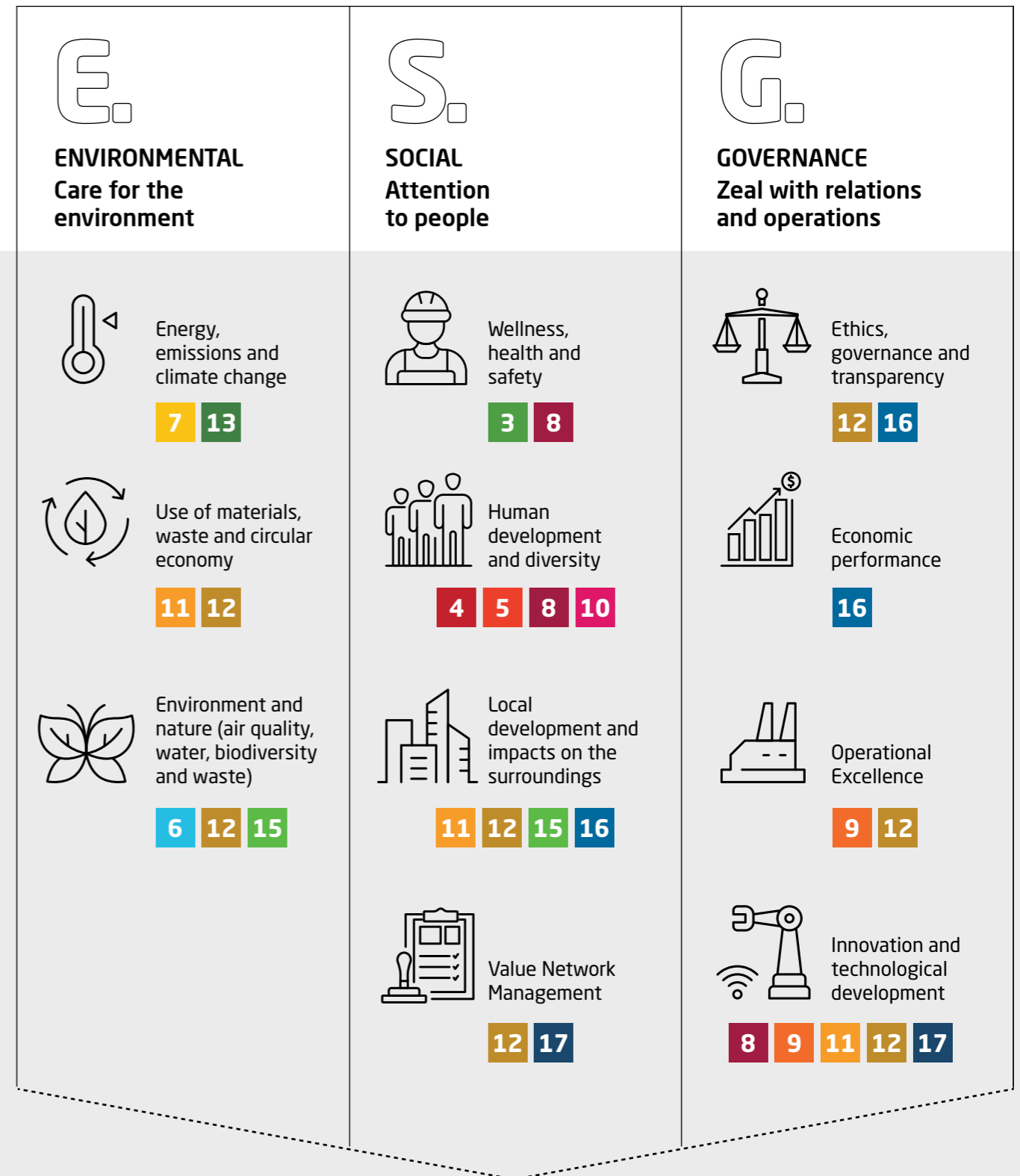
GRI 3-1 | 3-2

The selection and ranking of information presented in this Integrated Report consider the Materiality Matrix built in 2020, a tool that also subsidizes our strategic direction and the way we manage business and make decisions.

The process to identify the 11 priority themes involved a series of steps, starting with the analysis of our performance and operations based on internal and external documents and benchmarking in the sector – resources with which we elaborated a diagnosis of our degree of development and maturity in relation to sustainability. Next, we prepared a list of topics and selected the main stakeholders that we believe are most impacted by our operations and relationships: customers, suppliers, non-governmental organizations and others, in addition to, internally, executives, directors and employees. Representatives of each of these groups participated in a consultation – interviews or online questionnaires – and selected the topics we should address as priorities.

After considerations on the level of primacy of each subject for external and internal stakeholders, the Materiality Matrix was constructed and validated by our Management. The themes were associated with the Sustainable Development Goals (SDGs) proposed by the United Nations (UN) and organized according to their adherence to the Environmental, Social and Governance (ESG) pillars.

## TOPICS PRIORITIZED BY INTERCEMENT AND EXTERNAL STAKEHOLDERS AND THEIR CORRELATION WITH THE SDGS



Creating value for business and society

# 4.

HIGHLIGHTS 2022

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The year was  
marked by  
advances  
on all fronts

# Governance



**Consolidation of the Risk Management and Internal Controls areas**, aiming at enhancing the management of the internal controls environment by equalizing the risk identification, analysis and mitigation process.



**Digital transformation** of the process of signing mandatory compliance terms and declarations and their analysis.



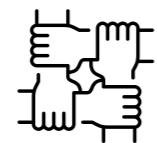
**Segregation of the Internal Audit and Ethics and Compliance areas**, which resulted in greater focus and autonomy for each one, as well as the independence of the Audit area.



Greater reach of the Ethics Line and **agility in solving and forwarding complaints** – 100% analyzed during the year.



**Training 100% of our people** in relation to the Code of Conduct and the Anti-Corruption and Antitrust policies.



**Organization of the Integrity and Compliance Week**, with the participation of employees, fixed third parties, customers and suppliers.

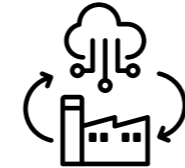


On-site **training of more than 600 employees** and fixed contractors on compliance.

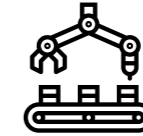


Effective performance of governance bodies, with more than **50 meetings held throughout the year**.

# Operations



Completion, in six factories, of the industry 4.0 roadmap, focused on the **implementation of the digital transformation strategy**.



Implementation of a **predictive maintenance system**, monitoring machine conditions in real time.



Achieving **performance and reliability** above world references by **72%** of cement mills.



Increase of 4 percentage points in the rate of co-processing in the thermal matrix, **avoiding the emission of 318 thousand tons of CO<sub>2</sub>** and properly allocating 379 kt. of raw materials and alternative fuel systems.



Use of an expert **system in cement mills** at levels above 90% of operating time.



Use, by the Cajati plant, of **88% of alternative materials or by-products for cement** production, a rate significantly better than the industry average.

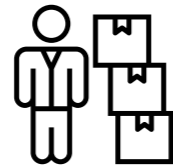


Achievement, by the Central Laboratory, of the **best performance in the interlaboratory program** among more than 34 participants in Latin America, carried out by the Portland Cement Industry Argentina (ICPA).

# Commercial



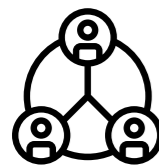
Development of the **Amigo Construtor Ecosystem** through the Online Store, which connects consumers to resellers and construction material industries.



As part of the ecosystem, we launched **Amigo Entregas (Friend Deliveries), a logistical model** for Last Mile and Fractionated, **which aims to provide efficiency and facilitate the logistical** operation of partner stores. In 2022, 20% of customers chose Amigo Deliveries to send their order to their home or work.



Growth of the distribution network with **seven new branches**, totaling 21 Distribution Centers in Brazil.

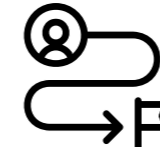


Structuring of **the Amigo Construtor Network development plan** with direct participation of distribution partners in building the model.



Go Live from CRM Sales Force with the Service and Sales modules, generating **gains in team productivity and in the customer understanding journey.**

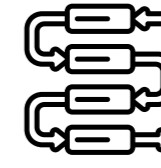
# Supplies



The ESG Journey in the supply network was constituted, with the involvement of more than 100 Partner Program suppliers, **promoting topics such as diversity, inclusion, safety and sustainable development.**



Development of six new suppliers in new ways of **acquiring thermal energy.**



**Intensification of intelligence in logistics** and freight contracting with the Commercial area, we optimized service rules, resulting in more efficient hiring and an increase in the level of customer satisfaction from 93.2 to 96.2%.



Advances in projects to **transform the logistics area, with an improvement in the level of service**, reduction in length of stay by 8% and evolution of infrastructure to receive transporters and their families.



# People management



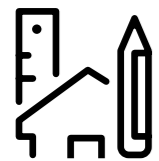
Inclusion, for the **second consecutive year, in the Valor Carreira ranking** and, for the first year, in the Great Place to Work (GPTW) ranking.



Launch of the **Mulheres que Constroem (Women Who Build) Program**, aiming at training women in the Campo Formoso (BA) community for the region's job market. The training courses are applied in partnership with Alicerce Educação and have content dedicated to the rescue of the educational base (Portuguese and Mathematics), notions of Mechanics, Electrical and Welding.



**Strengthening the feedback culture** through training programs and workshops for leadership, which totaled more than 5,000 hours.



**Open meeting with Construtoras do Amanhã** – internal affinity group – and women from other companies on the challenges of gender equality in the construction value network.



**Professional Day Week** – action that aims to provide our professionals with information on development, career, health and the corporate benefits offered.



Continuity of the **Industrial Trainee Program**, focused on forming future leadership positions in our operations.



Consolidation of the Performance Management model, which integrates the **mapping of professional performance evolution.**

# Health, safety and well-being



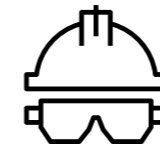
Launch of **Escalada da Transformação**, a program to reinforce the protagonism of professionals and the safety culture



The **1st Jornada Mais Saúde (More Health Day)** was held, with a month dedicated to health promotion, disease prevention and encouraging our people to maintain healthier lifestyles. Among the strong points of the journey, the incentive to healthy eating, which had a partnership with the units' restaurants, and the practice of varied sports activities, which encouraged the adoption of physical activity in everyday life, stand out. The Journey for More Health had the participation of all our people (77.5% active participation) and our partners (22.5% active participation), and had 3 weeks of activities that started in April and went through the month of May.



Achievement of the **Gold Helmet award** from the company MSA Safety.



Increase of **185%** in Observations of Safe Behavior (OCS) and **250%** in Reports of Behaviors and Deviations (RCD).



Digital transformation of **22 security routines** into a system and KPI Management via an internal portal.



Carry out more than **1.6 million breathalyzer tests** on 100% of professionals entering the factories.

# Social development



Carrying out **social initiatives** in 18 cities, in nine states, which directly benefited around **79,000 people**.



Launch, by the InterCement Institute, of the publication **Todos Juntos pela Primeira Infância** - contribution to strengthening public policies for early childhood.



14th edition of the Good Doing Day, which included **27 initiatives with an investment of R\$ 1,137,793**, including own resources and donations from partners, and involved around 3,100 male and female volunteers.



Launch of the **InterCement Institute website**, aiming at more transparency and the sharing of good practices.

# Financial-economical



Historical record for **net revenue**, which reached **R\$ 3.7 billion**, 18% higher than in 2021.



Record **operating cash flow of R\$ 883 million**, 46% higher than in 2021.

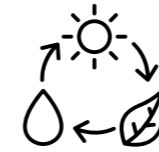


**Adjusted Ebitda of R\$880 million**, with a margin of 24%, demonstrating resilience in relation to cost increases in the sector.



Conversion of **100% of adjusted Ebitda** into operating cash flow.

# Environment



**Investments of R\$ 37 million** in projects, efficiency and environmental expenses.



Obtaining **ISO 14001** certification (Environment) in a concrete plant, which is added to all cement plants certified in **ISO 9001** (Quality), **140001** and **45001** (Occupational health and safety).



**Reduction in specific water consumption** from 240 l/ton of cement to 216 l/ton of cement, compared to 2021.



**Reduction in the specific emission of particulate matter** from 125 g/ton of clinker to 89 g/ton of clinker, compared to the previous year.



Financial **compensation equivalent** to 40% by weight of total cement packaging sold.



Achievement of the **Gold Seal in the Brazilian GHG Protocol Program** for the second consecutive year. We have participated in the program since 2010 and achieved maximum recognition in ten of the 12 editions.

# 5.

3 4 5 6 7 8  
9 11 12 13 15 16 17

WHERE WE WANT  
TO GET AND HOW

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Our growth  
strategy  
includes the  
ESG journey



# Corporate strategy

**We guide our growth strategy prioritizing four objectives/challenges, around which we recorded relevant progress in recent years, presented throughout this report. They are:**

Build a sustainable operation, with high environmental and social standards, and continuously improve the management and governance system.

We strengthen our governance, adopting the best practices recommended by the market or regulatory bodies, and we are following the ESG Journey, establishing commitments and goals that attest to our commitment to sustainable development.

Accelerate digital transformation across the value network.

We invest in digital solutions that allow us to gain efficiency and reliability, in addition to adding value to operations. We want to contribute to the improvement of our value network – an objective translated into the maintenance and constant improvement of our Amigo Construtor platform, which already brings together more than 85 thousand professionals linked to the construction market.

Create more horizontal and inclusive management.

We have adopted a management model that favors proximity and dialogue, and values diversity as a source of wealth and opportunity. By providing necessary subsidies to our employees, we aim to increase their engagement with our culture and their autonomy, encouraging them to act with a sense of ownership and urgency and the ability to shorten the distance between opportunities, analyses and decision-making.

Foster a culture focused on sustainable profitability and high discipline in capital allocation.

We are committed to generating increasingly solid and growing results, year after year. Our internal areas are aligned with the objectives of cash generation and remuneration of capital employed, added to the flexibility and agility that we add to our management. We want to maximize operational leverage, generating increasing returns – an objective that is facilitated by defined and scalable operational and commercial structures in all regions, with their fixed costs already established, and an efficient business model in the use of working capital to capture growth additional demand, generate high marginal return and high cash conversion rate.

Our decisions are linked to a continuous planning cycle, based on the collection and analysis of data on the different variables linked to the business, which are discussed weekly within the scope of our Executive Committee, made up of all directors and a decision forum, in which each one of the business areas presents its strategies, its action plan and deviations from the plan, and where guidelines are defined.

Cajati/SP



We permanently seek to increase efficiency, and maintain flexibility to respond quickly and assertively to market demands or needs. The proximity between all levels of management is a differential to enable this flow of planning and the adaptation of our activities as quickly as possible.

Thus, our decisions and actions consider our purpose, principles and challenges, and, in addition to these drivers, are the priority material topics, which we identify through the stakeholder consultation process. Knowledge about topics relevant to our work and the incorporation of the internal culture by professionals has impacted the way in which we conduct business, which is increasingly holistic and comprehensive. We do focus on results, but we dedicate attention to all other vectors that result in impacts of our operations on the environment, society and the economy.

Apiaí/SP



# ESG Journey GRI 2-29

**In order to qualify and intensify the strategic advances in the coming years and make our engagement with sustainable development even clearer and more tangible, we started an ESG Journey.**

We propose achieving a set of commitments and targets by 2030. It adheres to what is proposed by InterCement Participações at an international level, but has been improved and adapted to the Brazilian context and our operations.

## 2030 goals and commitments InterCement Participações

### Care for the environment

#### Energy, emissions and climate change

- » To be among the least carbon-intensive producers, with emissions below 500kg CO<sub>2</sub>/ton of cement.
- » Promote and intensify the use of renewable energy sources.
- » Reduce emissions of micro pollutants per ton of clinker, with particulate matter below 65g/t, NOx below 1,700g/t and SOx below 270g/t.

#### Use of materials, waste and circular economy

- » Promote circular economy, achieving 50% replacement of fossil fuels with alternatives, including biomass and waste.
- » Intensify the production of cements with less clinker incorporation, below 69% on average.

### Environment and nature

- » Reduce water withdrawal to 0.20 m<sup>3</sup> liters per ton of cement.
- » Preserve the soil and natural resources, reducing the generation of waste through recycling and reuse.
- » Collaborate for the proper disposal of waste generated by customers and suppliers.

### Attention to people

#### Well-being, health and safety at work

- » To be a reference in the best safety practices in the industry, seeking to eliminate the occurrence of accidents with injuries.
- » Extend the scope of Occupational Health to promote physical, mental and social well-being.
- » Maintain a welcoming work environment, guided by respect and collaboration (with an NPS rating of over 70 points by our professionals).

#### Human development and diversity

- » Promoting diversity and inclusion to ensure equal opportunities and equal rights.
- » Seek greater gender balance in management positions.

**Local development and impacts on the surroundings**

- » Be partners with the communities where we operate in promoting their socioeconomic development.
- » Promote volunteer programs, with wide coverage, involving our professionals and families.

**Zeal with relations****Innovation and technological development**

- » Develop and adapt technologies aimed at the circular economy, digital transformation, reverse logistics and low-carbon products/processes.
- » Foster innovation by establishing partnerships with universities, technology centers and companies.

**Ethics, governance and transparency**

- » Ensure responsive, inclusive, participatory and representative decision-making at all levels.
- » Reinforce transparency by publishing the Integrated Annual Report audited by an independent company.
- » Disseminate values and culture of ethics, compliance and integrity, including anti-corruption and anti-trust.

**Operational Excellence**

- » Be in the first quartile of international benchmarks by the Global Cement and Concrete Association (GCCA), with more than 50% of the main performance indicators.

**Economic performance**

- » Capital allocation will be efficient, privileging projects that generate economic and shared value.
- » Stand out in return on capital employed (ROCE) by sector (first quartile of performance).

In 2023, we will work to improve and adapt InterCement Participações' commitments to the Brazilian context and our operations, expanding our contribution. The commitments and goals we will pursue in the coming years are also in line with our material priority topics. The Materiality Matrix, in turn, involves at least 13 of the 17 Sustainable Development Goals (SDGs) proposed by the United Nations (UN) with a view to eradicating poverty, protecting the planet and ensuring prosperity for all.

We took our first steps on the ESG Journey in 2021, with the creation of a management to be the guardian of this process and act as an articulator and consultant in the various internal areas, integrating them into the collective construction towards the strengthening of good environmental, social and governance practices.

In 2022, we promoted a broad process of listening and dialogue with representatives from all our areas to capture their perceptions and understand the challenges and opportunities for achieving the desired results by 2030. All departments participated in the activities and, within the scope of each of them, the managers most directly linked to the material issues and their developments were invited. The meetings and forums held also contributed to identifying the degree of maturity of each area in relation to ESG issues and promoting a better leveling of knowledge.

All this diagnostic, training, debate and engagement work resulted in the elaboration of 48 plans to be executed in horizons that vary between 12 and 36 months, and encompass more than 305 actions, for which responsibilities and deadlines were defined – we added an extra objective to those established by InterCement Participações: developing our value network. Another relevant result was the internal strengthening of the ESG culture, which is increasingly ingrained in our activities and in the decisions of our employees.

In 2023, we will define the goals, stipulating the progress to be achieved, year by year, until 2030, in relation to each of the material topics. In addition,

we will continue dialogues with the areas and monitor the defined plans and actions, leaving the ESG management with the challenge of following up on the planned actions. With the help of our employees, we drew up diagnoses about our condition, parameters and definition of where we want to go and what we aim to deliver in the coming years, since we joined the InterCement Participações Agenda 2030 in 2022.

At the same time, we will remain linked to frameworks, practices and guidelines suggested by national and international sources and organizations capable of contributing to expanding our knowledge and improving our ESG Journey.

*Campo Formoso/BA*

# Corporate governance and risk management

**We adopt corporate governance practices recognized by the market, in addition to a robust structure to qualify our management and reinforce relationships of transparency and trust with our stakeholders.**

In 2021, we had promoted a series of improvements to further solidify our alignment with the recommendations of institutions dedicated to the subject and the rules of the Novo Mercado of B3. The year 2022 was marked by the consolidation of advances, which resulted in the greater professionalization of our Board of Directors (BD) in the remodeling of the board structure and of advisory committees. The initiatives contributed to bringing governance closer to day-to-day management and generated value for management by improving our controls and decision-making. There were more than 50 meetings held throughout the year, in which work focused on issues of diversity, inclusion, development and learning stood out.

Those responsible for governance are responsible for how strategy, governance, performance and our perspectives lead to the creation of value in the short, medium and long term.



## Governance structure

**GRI 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-16 | 2-17**

Our strategic and executive conduct is the responsibility, respectively, of the Board of Directors and the Executive Board, whose powers and attributions are established in our Bylaws, in the applicable laws and regulations. We also have three committees that advise the CA and an Ethics and Compliance Commission.

### Board of Directors

Committed to defining strategies that guarantee conditions for us to deliver more and more value to all stakeholders and to ensure sustainable conduct, the collegiate body has among its responsibilities to analyze and deliberate on topics of high interest related to our business and management, including declaration of values or mission, strategies, policies and objectives related to sustainable development. Its mission is also to protect and value our assets and contribute with guidelines that enable business continuity, in addition to discussing processes to identify and manage matters of interest to us, including ESG-related topics.

There is a bimonthly periodicity of ordinary meetings of our Board of Directors, without prejudice to extraordinary meetings that can be called at any time - opportunities in which the Board presents topics of this nature, which can also be done at any time by e-mail between other communication channels available.

The body is made up of six members, two of them independent, all elected and dismissed by the General Shareholders' Meeting, with a unified term of office of one year, with reelection permitted. The chairman does not hold the role of Chief Executive Officer or any other in our other management bodies, acting only as a member of the Governance, People and Sustainability Committee and the Ethics and Compliance Committee.

The selection of members, as well as those of directors and committee members, is in accordance with the guidelines of our Nomination Policy, based on the Bylaws and Code of Conduct, in the applicable legislation, as well as in the main guidelines of the Novo Mercado Regulation and the code proposed by the Brazilian Institute of Corporate Governance (IBGC). Criteria such as previous experience, academic training compatible with the assignments, personal integrity and unblemished reputation, lack of conflicts of interest and aspects linked to behaviors, cultural characteristics, age group and gender are considered, in order to favor plurality and more qualified and secure decision-making.

The suggestion of names can be made by the Management or by our shareholder and, from there, steps follow such as declaration of adherence of each candidate to the Nomination Policy and all legal and regulatory requirements and verification of the classification of candidates as independent, whenever applicable.

The performance evaluations of the Board and the management committees are provided for in the Internal Regulation of the instance and were initiated in December, with forecast to be presented in 2023.

Its format is a collegiate self-assessment, whereby each member assesses the body's performance as long as they hold the position for at least three regular meetings since the last assessment. The process is carried out at least once a year and, once concluded, the results are received and consolidated by the president, who presents them to the other members for the definition of an action plan to be established for the improvement of governance.

The topics reported to the body, including crucial concerns, are directly related to the matters within its competence, provided for in our Bylaws and in the Internal Regulations. Matters are usually reported through the Executive Board, especially through the Chief Executive Officer, and through the advisory committees and commission, with support from the Board's Governance Secretary. All matters deliberated by the Board of Directors are formalized in minutes and recorded in its meeting book.

#### COMPOSITION

**Flávio Aidar\***  
*President*

**Paulo Diniz**  
*Advisor*

**Luiz Klecz**  
*Advisor*

**Sergio Faifman**  
*Advisor*

\*Position held until April 2023.

**Marise Barroso**  
*Independent Advisor*

**Ana Lucia Caltabiano**  
*Independent Advisor*

To advise the Board of Directors, we maintain committees. They are made up of at least one Board Member and professionals with experience in their respective areas of competence, and external specialists may also occupy them. Members are appointed by members of the Board of Directors or the Executive Board based on criteria such as adherence to our values and rules, proof of technical capacity, reputation and time of dedication, and elected by the Board of Directors. All committees have their own internal regulations.

Annually, the members, individually, evaluate the performance of the respective collegiate bodies. The guidelines defined for this activity are the responsibility of the Governance, People and Sustainability Committee, and the consolidated result is presented to the Board of Directors, accompanied by considerations and recommendations. At the end of 2022, the following committees were structured:

#### Audit

With operational autonomy and its own budget, it is composed of three executives, including an independent member of the Board of Directors and a participant with recognized experience in aspects of corporate accounting and auditing, under the terms of the regulations issued by the Securities Commission. The members of the Audit Committee's main functions are to supervise the quality and integrity of the financial reports; see to the adjustment of processes related to risk management, internal audit and internal controls; and monitor the activities of the independent auditors, among others foreseen in the Internal Regulations COMPOSITION available to the market.

#### COMPOSITION

**Marise Barroso**  
*Independent Advisor*

**Ana Maria Elorrieta**  
*Independent member specialist in accounting and auditing*

**Luiz Klecz**  
*Advisor*



### Finance and Strategy

Made up of three executives with technical capacity compatible with the activities performed. The committee is responsible for proposing and discussing long-term planning, involving mergers/acquisitions, divestments, expansions/new capacities and markets/regions of operation; evaluate sustainability and innovation initiatives, ensuring that they are considered in the definition of strategy; advise the Board of Directors on research topics, technological trends and innovations; analyze comparative performance with international players and sectoral rankings; consider financial planning, capital allocation, debt and cash flow; and monitor and report to the Board of Directors on relevant financial matters.

#### COMPOSITION

**Paulo Diniz**

*Member*

**Sergio Faifman**

*Member*

**Marise Barroso**

*Independent member*

### Governance, People and Sustainability

This committee is responsible for: defining remuneration policies, people development and training, compensation of executives and employees; monitor the management of the organizational climate; evaluate policies and conduct related to safety, environment, health, social performance, communication, reputation and institutional relations; monitor compliance with the Bylaws, regulations, codes and policies; and ensure the functioning of the Board of Directors and the committees. All possess technical skills compatible with activities performed by the body, which will support themes related to decarbonization and ESG practices.

#### COMPOSITION

**Flávio Aidar\***

*Member*

**Luiz Klecz**

*Member*

**Ana Lucia Caltabiano**

*Independent member*

*\*Position held until April 2023.*

### Executive Board

Directors are appointed by the Board of Directors based on criteria such as ability to combine our interests with those of shareholders, managers, employees and other stakeholders, and to conduct the strategies outlined, including those related to social and environmental aspects. In the selection process, alignment and commitment to our values, culture, codes and policies, academic training compatible with the duties provided for in the position, skills and experience in the job market and exemption from conflicts of interest are considered.

Executives are empowered to adopt the necessary acts for the regular functioning of the business and conduct our corporate purpose, subject to the relevant legal or statutory provisions, as well as the business plans and operating and capital budgets approved by the advisors. Its attributions also include complying

with and enforcing both the Bylaws and the resolutions of the Board of Directors and the General Meeting. At the end of 2022, we had four statutory and four non-statutory boards. Its members meet weekly in person, as a priority, in addition to promoting extra meetings, if necessary, and serve one-year terms, with the possibility of being reappointed to positions (statutory directors).

#### COMPOSITION

**Livio Kuze**

*Chief Executive Officer (statutory)*

**Armando Silva**

*CFO and Investor Relations Officer (statutory)*

**Ricardo Congro**

*Industrial and Sustainability Vice President (statutory)*

**José Caires**

*People Director (statutory)*

**Fabricio Azevedo**

*Operations Sustainability Director*

**Douglas Catan**

*Concrete Supply Director*

**Alessandro Thompson**

*Commercial Director*

**Eduardo Carvalho**

*Legal and Integrity and Compliance Director*

## Ethics and compliance

GRI 2-15 | 2-23 | 2-24 | 2-26 | 205-2

Because we believe that strengthening ethics and integrity is fundamental to achieving our purpose, we changed the way we act to get closer and closer to our people, providing active listening, reception and redirection, when necessary, because we understand that in the essence of every action promoted to consolidate our purpose and our principles is a choice. And making that choice in the most conscious way should consider acting justly, with integrity and in accordance with the standards, rules and regulations.

Knowing how to choose the most honest paths for each situation is a process, a construction, a mutual learning experience, as people are different and diverse, as well as their values, beliefs, choices, emotional needs, repertoire, styles and expectations. We value each person for their own way of being, seeking to exercise empathy to promote an environment of trust, openness, tolerance, dialogue and active listening. In this regard, we restructured our Integrity and Compliance Program, a fundamental tool to allow good people to build and deliver good and, if they deviate from this genuine choice, resume their path.

Aligned with the best market practices, the reformulation consisted of the segregation of our Audit and Risks, on one side, and Compliance areas, on the other side, which now also have independent reports, making them more agile in meeting demands. As a result of this change, we have intensified our efforts regarding training and active listening to be effectively present and in contact with areas and people, so that they can always count on us when making decisions.

During 2022, various training courses were given, which had an impact on our people and third parties: 100% of professionals completed training on our Code of Conduct; 100% of the new employees who joined the team by August 2022 took Anti-Corruption and Antitrust training; and more than 600 employees and permanent contractors participated in face-to-face compliance training at the factories – some plants will undergo face-to-face training in 2023 –, promoted in conjunction with the Jornada Profissional (Professional Journey). In addition, our trading and commercial teams received specific training on relationships with competitors, and the InterCement Institute team received specific training on political party activities during the election campaign.

Another initiative of our resources is the Policy on Transactions with Related Parties and Other Situations Involving Conflict of Interest, through which we ensure that decisions, especially those related to transactions with related parties and other situations with potential conflict of interest that may involve us are taken with our interests and those of shareholders in mind. They must also be conducted under market conditions and equal treatment with third parties, emphasizing the best corporate governance practices, coated with transparency. In addition, professionals fill out the Declaration of Potential Conflict of Interests, evaluated by the Compliance area, which, in case of detection of conflict, defines an action plan for mitigation.



**Our ethical framework is governed by an Integrity and Compliance Program, consisting of the Code of Conduct, policies and standards, monitoring training, communication and the Ethics Line, among others.**

To finalize the intense training calendar, in December we held the Integrity and Compliance Week, which addressed themes such as culture of integrity and our choices. The end of the training cycle made it possible to get closer to our suppliers and customers, invited to participate in the event, and the dissemination of our culture of integrity throughout the network.

One of the focuses of Integrity and Compliance activities is to ensure that everyone is aware of, understands and commits to our Code of Conduct, one of our main means of preventing, identifying and correcting irregularities and illegal acts of any nature. The document is dedicated to direct employees and external professionals, service providers, outsourced providers, intermediaries, suppliers and customers. It addresses the conduct expected in relation to the market – including business partners, banks and competitors –, the communities, the environment, public and private authorities and third parties, among others. It also guides on the measures to be taken in case of violation of its guidelines.

We seek to establish links with stakeholders who share our concern with transparency in business and respect for human rights and the environment. Our contracts include clauses relating to the obligation to comply with standards and laws, such as those related to the environment and work. In addition to validating our suppliers, we encourage partners to adopt tools that contribute to and encourage best practices and conduct in their businesses as well.

Another novelty of the year was the replacement of the Integrity and Compliance Program Terms and Declarations management system, which was not very friendly and consisted of several steps, with a simpler and more agile system that allows professionals to read or fill in and electronically accept in a single step. With the new system, the completion of each document whose knowledge and consent of employees is mandatory is now done through a web link, sent automatically by the tool. Thus, via system, we notify all professionals about the need to ratify their commitment to the Code of Conduct, validating their Declaration of Commitment again. The new system made available three other documents that mandatorily require the signature of employees, in addition to a set of specific declarations, such as meeting with a competitor or public agent, donations and sponsorships and offering or receiving gifts above the stipulated limit value, among others.

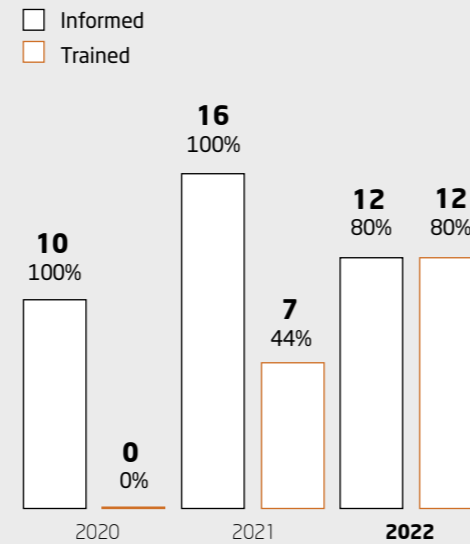
More than encouraging the completion of the terms and declaration, the new system allowed for closer monitoring of the documents and, consequently, a more targeted performance of the Compliance Management.

In conjunction with training and contracts, we further encourage our employees and other stakeholders to report any event deemed undue in our activities, contemplated not only in the Code of Conduct, but also in applicable laws or regulations and in our policies and procedures. To ensure the security and anonymity of whistleblowers and the correct and fair forwarding and response of all communications, we have an Ethics Line available, an exclusive channel, accessible 24 hours a day via telephone, email or dedicated website, which in addition to receiving reports, complaints, suggestions and compliments, it also provides guidance and answers questions on issues related to conduct and integrity. An independent company receives the communications, classifies them and then forwards them to us. The channel is an important management tool as it allows us to identify and resolve issues that could affect our processes and reputation.

Still in 2022, we started the work of revising all our standards and policies related to corporate governance, seeking to harmonize the documents, make them lighter and more fluid, as well as reflect the realities encountered in recent years. Still in 2022, we took the first steps to engage suppliers and customers in our journey and this will be even more intensified for 2023, mainly in the areas of Compliance and Occupational Safety.

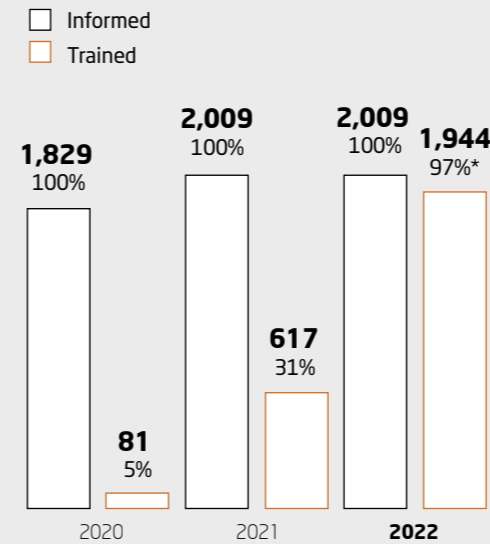
### COMMUNICATIONS AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

#### MEMBERS OF THE GOVERNANCE BODY\*



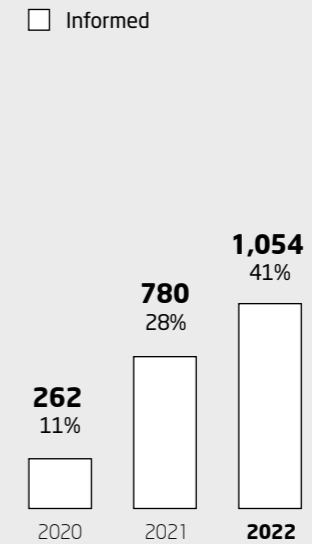
\*Members of the governance body include the Board of Directors, Executive Committee, Ethics and Compliance Committee, Audit Committee, Governance, People and Sustainability Committee and Finance and Strategy Committee.

#### EMPLOYEES



\*The remaining 3% correspond to new employees who joined the team after August 2022.

#### BUSINESS PARTNERS





**TOTAL NUMBER AND PERCENTAGE OF BUSINESS PARTNERS TO WHOM ANTI-CORRUPTION POLICIES AND PROCEDURES ADOPTED BY THE ORGANIZATION WERE NOTIFIED**

	2020		2021		2022	
	Informed	Trained	Informed	Trained	Informed	Trained
Number	262	0	780	0	1,054	0
Percentage	11%	0%	28%	0%	41%	0%

**NUMBER OF CONCERNS THAT WERE RAISED AND THE PERCENTAGE OF CONCERNS THAT WERE ADDRESSED AND RESOLVED OR FOUND TO BE UNSUBSTANTIATED\***

	2020	2021	2022**
Number of concerns received during the reporting period	85	103	135
Number of concerns that were addressed, resolved or found to be unsubstantiated during the reporting period	41	35	129
Percentage of concerns that were addressed, resolved, or found to be unsubstantiated during the reporting period	48%	34%	96%

\*2020: Inappropriate conduct, moral harassment, sexual harassment, conflict of interest, work safety were considered and in 2021/2022 we added the item discrimination.

\*\* The six cases that remained open in 2022 were closed by February 2023.



# Risk management

**We maintain the Risk Management Policy, approved by the Board of Directors since 2021 and applicable to all our business units, through which we seek to monitor and mitigate threats with the potential to negatively impact our operational continuity, reputation and value.**

The document establishes principles, guidelines and responsibilities to be observed in a continuous process that includes the stages of risk identification and assessment, with analysis of impact and probability; definition of appetite, that is, the level of exposure we are willing to face; treatment, with evaluation of activities or controls and/or establishment of action plans; and monitoring and reporting.

Our purpose is for risk management to be understood and considered by people as an indispensable tool for decision-making at different levels and activities. Thus, we seek to disseminate concepts relevant to the topic, encourage employees to keep up to date on standards and procedures, and guide them to report any deviations, providing secure channels for this.

The risk management process is based on, but not limited to, the Committee of Sponsoring Organizations of Treadway Commission (COSO-ERM) model, which defines roles, responsibilities and forms of interaction between the agents involved, divided into three lines of defense:



Campo Formoso/BA

1	First Line of Defense	In this first line are the “managers and risk owners” of the business areas, those directly responsible who have mastery and technical knowledge about the threats, who are responsible for detecting them – including non-conformities and/or ethical problems – and implementing the respective measures, mitigation plans and corrective responses.
2	Second Line of Defense	This second line is assigned to the Compliance and Internal Controls and Risks areas, which act as support to ensure the proper functioning of the First Line by identifying failures in the process and internal procedures. If necessary, they can count on support from other business areas.
3	Third Line of Defense	The Internal Audit operates in this line, which makes independent assessments to verify the effectiveness of processes and controls and identify operational and financial deviations resulting from failures and/or fraud. Information and analyses on the risk management environment and controls are communicated to Management. Our Internal Audit is carried out by a contracted specialized company, in order to safeguard independence and autonomy, in accordance with the Novo Mercado regulations. It reports to the Board of Directors through the Audit Committee.

Our practices were strengthened in 2022 with the creation of the Risk Management and Internal Controls area, with experienced professionals who work to remodel and deploy the business risk management process and processes. We recorded advances in the structuring and adoption of tools that support this and reviewed internal procedures to identify and map threats and our internal controls. The work had the active participation of the executives, revealing an important and gradual cultural change in the face of the theme, with the perception that the Risk Management and Internal Controls structure, more than supervisory, is a partner of the areas from which the risks arise. With this reinforcement, we started to carry out more frequent and agile follow ups in relation to threats to the business.

We continuously review our Risk Matrix, especially in relation to business risks – which involves assessment, revisiting known threats and reflections on possible new events. With the involvement of representatives from various areas and organizational levels, the main factors of concern to our industry are being identified from various angles and perspectives. We also seek to update the prioritization level of each of the topics and broaden our focus to identify aspects that may pose risks in the medium and long term.

The expectation is to have a matrix that is always updated. As we broaden its aspects, it will also contribute to adequately address issues related to ESG, expanding our attention and responsiveness to all variables. We follow the TCFD recommendations related to governance, strategy, risk management and metrics and goals that we adhere to in 2021, in addition to the 2030 goals and commitments of InterCement Participações, including the carbon intensity of less than 500 kgCO<sub>2</sub>/t of cement.

## Risks and opportunities associated with climate change GRI 201-2

The main risks and opportunities associated with climate change with the potential to generate substantial changes in operations, revenues or expenses are:

### RISKS

**Regulatory:** limitation for GHG emissions and consequent restriction on cement production.

**Physical:** extreme weather events can interrupt the operation and block road or rail access; unavailability of water for cement and concrete production; flooding of factory areas; and increased seasonality of cement sales.

**Financial:** costs associated with risks include the need to make investments to reduce emissions and increased operating costs to undertake mitigation and adaptation efforts.

**Costs:** cost increase may enable cement and concrete substitute products; and increased cost of production and need to access capital.

### OPPORTUNITIES

**Physical:** the quest to reduce CO<sub>2</sub> emissions to neutrality tends to expand across the network as a whole (industry, concrete companies and construction companies), stimulating the development and sales of concrete with lower consumption of cement and water. Besides, concrete is a product of high relative resilience to face extreme weather events. To manage these opportunities, we envision switching from fossil to renewable fuel; we invest in improving energy efficiency; we reuse by-products in cement production; and we use renewable electricity.

# 6.

3 4 5 6 7  
8 11 12 13 15 16

WE DELIVER  
GOOD EVERY DAY

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We encourage  
the autonomy  
of professionals  
and recognize  
their deliveries



# Our people

GRI 2-8 | 3-3 - Wellness, health and safety | 3-3 Human development and diversity

Because we understand that our more than 2,000 employees and 1,800 outsourced workers make the difference in the success of our businesses and ESG Journey, we strive to ensure that they have collaborative, diverse, equitable and inclusive environments, encouraging dialogue, autonomy and responsibility in decision-making, and recognition for their dedication and deliveries.

Recognitions such as those received in the Valor Carreira survey, which lists the five best companies in people management in Brazil according to the number of employees, and Great Place to Work, in the ranking of the 50 best large industries to work for, are demonstrations that we are on the right track: we ranked 17th in the general category and 1st in the cement industry. This perception is strengthened by the satisfaction indicators expressed by our professionals in internal assessments made using the Net Promoter Score (NPS) methodology: in 2022, we achieved the result of 87 points – the best score we have obtained since we started carrying out the survey four years ago.

We believe that the good results result from applying our principles and strategic objectives into our routine, including acting as we believe, respecting all people and advancing increasingly towards horizontal and inclusive management.

Another aspect that contributes to our evolution is the constant and frank dialogue: leaders are trained to exercise active listening, constant feedback and non-violent communication, in line with our intention to give voice and protagonism to all employees.

We also maintain structured channels for our culture and information to flow and reach target audiences. They include the monthly Giros, virtual and open meetings in which the directors present the main actions, projects and/or results of the business and answer questions. Events are one of nine channels that, in 2022, were consolidated and/or launched as a result of an internal communication restructuring process.

All of them are part of the Somos network – an internal channel platform, which brings more integration, uniformity and network perception in communications with our people, and reflects the plurality of our operations and people. By having an aligned team that shares aspirations, values and knowledge, we also gain better conditions to move in the same direction.

## PROFILE OF EMPLOYEES GRI 2-7

### EMPLOYEES BY TYPE OF WORKDAY / GENDER

Number of employees, by gender <sup>1</sup>	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Full-time workday	252	1,460	1,712	333	1,514	1,847	366	1,482	1,848
Part-time workday	3	114	117	9	153	162	10	151	161
<b>Total</b>	<b>255</b>	<b>1,574</b>	<b>1,829</b>	<b>342</b>	<b>1,667</b>	<b>2,009</b>	<b>376</b>	<b>1,633</b>	<b>2,009</b>

1. Full-time employees work 200 hours per month. Part-time employees work less than 200 hours a month.

### TOTAL NUMBER OF EMPLOYEES PER REGION

		Number of permanent employees
2021	North	0
	Northeast	276
	Midwest	277
	Southeast	1,244
	South	212
	Total	2,009
2022	North	
	Northeast	265
	Midwest	277
	Southeast	1,264
	South	203
	Total	2,009

Campo Formoso/BA





## Attracting and retaining talent

### GRI 401-2

We aim to be recognized as an excellent employer, in order to attract and retain the best talent and make our people realize the value of being part of our team, wish to remain with us and act as our external promoters. For this, in addition to providing opportunities for professional and personal growth, we are concerned with paying adequate and fair wages and offering a set of differentiated benefits.

Annually, we evaluate at least two surveys regarding the average wages of workers in our industry in which consultants are recognized in the market, in different functions and hierarchical levels. The compliance of our income with the best market practices is monitored in semi-annual internal assessments, also to ensure fairness

In addition to the base salary, our employees receive variable compensation linked to individual performance analyses. We also seek to maintain an attractive set of benefits that include medical assistance, dental assistance, life insurance, private pension plan, payroll loan, daycare assistance, food and/or meal vouchers, which includes, through Alelo, several discount partnerships in e-commerce stores, supermarkets, education, leisure, among others, cafeteria and chartered to the manufacturing units, pharmacy agreement, the educational platform Edupass with several courses, and Gympass, which grants discounts in gyms and also gives access to health and wellness platforms.



**Our talents are motivated by opportunities for professional and personal growth, remuneration compatible with the market and the function performed, and a range of differentiated benefits.**

For the selection of talents, we maintain actions such as the Quem indica amigo é (Friend refers friends) program, in which our professionals suggest names to fill open positions and, if the recommended person is hired, they win prizes. All available vacancies are visible on the vacancies.com website and on LinkedIn, and we publish weekly drops about them by email and on the walls of the units. We also provide opportunities for internal mobility. Those who are already with us can apply for any open position, and all applicants receive feedback, even if they are selected. In these cases, we present the reasons why they were not chosen and the skills/knowledge that need to be increased, directing them to Fábrica do Saber.

In order to recruit young people who are taking their first steps towards professional life, we maintain a permanent Internship Program, in which around 25 vacancies are constantly open, offered according to the pace of completion of the participants. The rate of use of interns reaches 80%.

We also have the Trainee Program, whose first class, selected in the process that started in 2021, is still in progress. The opportunity attracted 3 thousand people, of which 11 were selected to develop their careers in our units in Apiaí, Bodoquena, Cajati, Campo Formoso, Candiota, Cezarina, Ijaci and São Miguel dos Campos Eight women were approved, which is consistent with our proposal to increase diversity.

The selection processes are regionalized, due to the dispersion of our units. By adding new talent to the teams, we want to internalize the plurality of the Brazilian population, which is why we pay special attention to aspects such as gender, color, sexual orientation and age groups. Our goal, for example, is to reach the final selection stages with at least one man and one woman with similar chances of getting the job. We also carry out training and awareness of our managers and leaders to make them aware of the importance of diversity and ensure equality of chances among candidates.

This incentive has promoted a gradual change in the profile of our employees, with an important increase, mainly in the number of women. The gender imbalance is strong in the civil construction sector as a whole. Even so, at the end of 2022, the female audience represented 19 of our professional staff, two percentage points above that registered in the previous period, which demonstrates the result of all our initiatives

For technical and specific positions and/or that require some type of industrial experience, we intend to attract, guide and qualify candidates. In this regard, in 2022 we launched the pilot action Mulheres que Constroem (Women Who Build), in Campo Formoso (BA), where we brought together women to talk about professional and personal development and detail our operations. This first experience, in which we had more than 600 interested parties, will result in the training of a group of 60 women to participate in our electrical maintenance and mechanical maintenance courses. The idea is to replicate this type of initiative in other units and offer development opportunities from the most basic to technical ones.

In our management positions, women already account for 21%, but the idea is that this percentage will also continue to grow. To this end, within the scope of the Development and Management Program (the PDG), we started the first exclusively female class in the year, with 25 participants. Among them there are those who already occupy leadership positions and professionals who wish to climb positions. The program has 348 hours of training, a partnership with renowned educational institutions, and the modules General Management and Female Leadership, Industrial Management and Executive Immersion, which include mentoring and shadowing with members of the executive committee.

The objective of the program is to offer a technical and behavioral framework, but also to increase awareness about the future of the female audience in our operations and to highlight the conditions and opportunities for it to evolve. The first class should be completed in mid-2023.

**VARIATION IN THE PROPORTION OF THE LOWEST STARTING SALARY COMPARED TO THE LOCAL MINIMUM WAGE GRI 202-1**

Ratio of lowest starting salary compared to local minimum wage <sup>1</sup>	2022	
	Men	Women
Lowest total remuneration paid by the organization (salary + direct benefits - VR (meal voucher) + VA (food voucher))	R\$ 3,442	R\$ 3,508
Lowest salary paid by the organization	R\$ 2,082	R\$ 2,148
Minimum wage determined by legislation or union	R\$ 1,500	R\$ 1,500
Percent ratio vs. lowest salary <sup>2</sup>	39%	43%
Percent ratio vs. lowest total compensation <sup>3</sup>	129%	134%

1. For the indicator, all active cement and concrete units were considered.  
 2. Percent ratio vs lowest salary = lowest salary of the organization divided by the minimum salary = men (2082/1500) -1 = 39% and women (2148/1500) -1 = 43%. For your lowest salary, the ICB pays 39% more in the minimum wage for men and 43% for women.  
 3. Percent ratio vs lowest total compensation = lowest total compensation divided by the minimum wage = men (3,442/1500)-1 = 129% and women (3,508/1500)-1 = 134%

**MATHEMATICAL RATIO BETWEEN SALARY AND BASE COMPENSATION FOR WOMEN AND MEN BY JOB CATEGORY<sup>1</sup> GRI 405-2**

	2020	2021	2022
Management	1.0	1.0	0.9
Middle Management/Consultants	1.0	1.2	1.0
Experts	1.0	1.0	1.0
Coordinators	1.0	0.9	0.8
Operational Managers	1.0	0.8	0.9
Administrative/Operational	1.0	0.8	0.8

1. To calculate the salary ratio, only the base salary was used because we do not have a differentiated remuneration policy. The base salary equals the remuneration. Average salary of women divided by average salary of men. Factories and concrete plants were considered.

**MATERNITY/PATERNITY LEAVE GRI 401-3**

	2022	
	men	women
Return rate	1,00	1,00
Retention rate	0,98	0,95

1 Retention rate:  
 Women: 20 total leaves in the year 2002 and 1 resignation = 1 - (1/20) = 95%  
 89 total men in the year 2022 and 1 resignation + 1 dismissed = 1 - 2(2/89) = 98%  
 Return rate:  
 Women and men = 100% of people returned from maternity/paternity leave and there were no layoffs immediately after their return.

**Diversity and inclusion**

**GRI 405-1**

The value we attach to diversity and our desire to be inclusive motivates us to develop actions to increase employees' knowledge on these topics and to open spaces for different audience profiles to occupy. Also in 2022, we launched the Inclusive Communication Guide, as a way to strengthen the construction of welcoming and comfortable environments for all.

Also, the consolidation of the Affinity Groups (AG), self-organized by employees, was especially remarkable. AGs related to the themes of Women, Black People and LGBTQIA+ have already been constituted. The meetings are monthly and address situations experienced inside and outside the work space and possibilities to make our environments better for everyone..

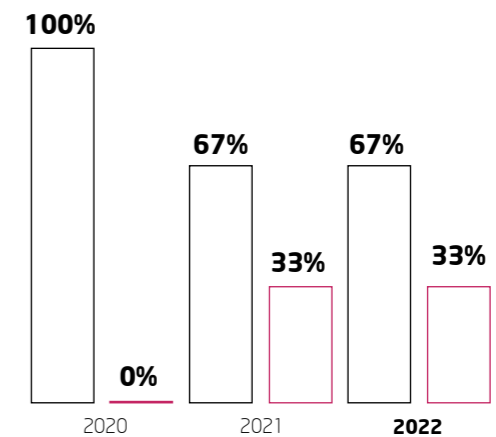
The AG related to Women, called Construtoras do Amanhã, advanced significantly in activities and went beyond the limits of our units by promoting an event with more than 400 participants, in person (in São Paulo) and online, in November. The audience was made up especially of female professionals linked to the construction sector. They discussed scenarios and paths in the market, gender equity, personal and social transformations, emancipation initiatives and challenges and lessons learned.

Throughout the year, we promoted information and awareness campaigns normally associated with special dates, such as International Women's Day, LGBTQIA+ Pride Month, National Day of Struggle for People with Disabilities and Black Awareness Week

**PERCENTAGE OF INDIVIDUALS IN THE ORGANIZATION'S GOVERNANCE BODIES**

**BY GENDER**

☐ Men  
 ☐ Women





# 3,000

Number of applicants attracted by our Trainee Program, of which 11 were selected



# 600

Women participating in a pilot action in Campo Formoso that dealt with topics involving professional and personal development and exposed our activities

Our professionals expressed satisfaction rates in the internal assessments made using the Net Promoter Score (NPS) methodology, reaching 87 in 2022, the best score we have obtained since we started carrying out the survey four years ago.

# 38%

Share of women holding management positions in our units at the end of 2022



**PERCENTAGE OF EMPLOYEES, BY FUNCTIONAL CATEGORY, BY GENDER**

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Officers	100%	0%	100%	0%	100%	0%
Senior Management	100%	0%	92%	8%	92%	8%
Management	83%	17%	76%	24%	62%	38%
Middle Management/Consultants	74%	26%	69%	31%	76%	24%
Experts	63%	37%	62%	38%	60%	40%
Coordinators	95%	5%	97%	3%	96%	4%
Operational Managers	78%	22%	78%	22%	76%	24%
Administrative/Operational	92%	8%	90%	10%	88%	12%
Total	86%	14%	83%	17%	81%	19%

*(Check out more details on this topic in our indicators notebook)*

**Development**

**GRI 404-1 | 404-2 | 404-3**

Strengthening and sustaining our value proposition model for people, we maintain the Diversity, Inclusion, Development and Learning (DIDA) area.

Its fundamental role is to sustain and develop the culture, catalyzing both a diverse and inclusive environment to practice our identity and a talent management model that enables the evolution and growth of people, their performances and, consequently, the individual and collective impact in generating value for our ecosystem.

We encourage a culture of autonomous and permanent development, guided by participatory and inclusive management, dialogue and feedback, so that everyone can achieve collective and/or individual goals, be recognized and make a difference. In 2022, we accounted for 30.4 hours of training per professional, involving all hierarchical levels.

To encourage employees in their Development Journeys, the main resource is Fábrica do Saber, our learning center, which enables a consistent learning culture in dispersed manufacturing units; resources for people to qualify for the careers they choose; and autonomy and responsibility for people to seek and consume knowledge in the way that makes sense to them.

Its structure is based on artificial intelligence, which suggests content, groups and people, according to the skills that each one chooses to develop.

With over 1,000 content providers built into the platform, all of our 2,000+ people can be path-builders, plans, and learning content for the entire enterprise. This means that we are all professionals teaching and learning from each other.

Fábrica do Saber is flexible, making it possible to select new training courses throughout the year, establish tailor-made learning routes and access already structured paths. It also includes mandatory training for professionals, such as those related to ethics and compliance.

It is through Fábrica do Saber that employees access the Edupass, a benefit extended to their family members. It is a platform that allows access to courses for undergraduate, graduate, technology, future skills, languages and open courses, offered by hundreds of renowned educational institutions, with scholarships or discounts that reach 80%. We also maintain the internal Training Needs Assessment process, which provides investment for specific training for people and areas, such as MBA subsidies, coaching, open courses and events, and in-company courses.

We also provide mandatory training (safety), external training, lectures and workshops. The Management Development Program for women, lasting ten months and 348 hours of training, counts on the following stages: general management, with 84 hours of



**During the year, 30.4 hours of training were given per employee, who use the Fábrica do Saber - knowledge repository - to support their Development Journeys.**

training, in partnership with the Getulio Vargas Foundation (FGV); female leadership, with 24 hours of training and mentoring in partnership with Startse; industrial management, with 180 hours of hands-on immersion in our four largest manufacturing units and technical mentoring with our factory managers; and 60-hour executive immersion, with mentoring and shadowing with our directors.

We internally developed a Performance Management methodology to assess the evolution of our employees and the criticality of their positions, the KeyPePo Mapping. Applied twice a year, in 2022 88% of professionals went through the process, which includes: analysis of the evolution of people's performance, analysis of the criticality of their positions for present and future strategic challenges, recognition and movements based on analyses, dialogues on feedback to align performance expectations, possibilities for improvement and development paths, in which professionals can count on the resources of Fábrica do Saber.

We value individual and collective performance and collaboration. Thus, the results obtained via KeyPePo support decisions on movements, merits and recognition for performance and impact on value creation.

In 2022, 954 people had salary changes, with 607 merits and 347 promotions.

In addition, through our process of short-term goals and incentives, variable compensation can evolve gradually, as professionals surpass established targets. In 2022, 2,228 people benefited from the Powerful Profit Sharing Program (PPRP).

Campo Formoso/BA



**AVERAGE HOURS OF TRAINING EMPLOYEES COMPLETED DURING THE REPORTING PERIOD BY GENDER**

Gender	2020	2021	2022
Men	9.4	27.1	26.5
Women	7.1	35.7	43.9
Total	9.1	28.6	30.1

**AVERAGE HOURS OF TRAINING THAT EMPLOYEES (COLLABORATORS) TOOK DURING THE REPORTING PERIOD BY FUNCTIONAL CATEGORY**

Functional category	2020	2021	2022
Officers	1.9	28.1	30.6
Senior Management	1.3	14.6	49.2
Management	9.3	35.6	77.3
Middle Management/Consultants	9.4	35.9	53.1
Experts	9.2	33.8	34.7
Coordinators	23.4	73.0	44.5
Operational Managers	8.4	61.4	61.4
Administrative/Operational	8.3	23.3	23.8
Apprentices	6.9	13.4	16.2
Interns	7.1	21.6	35.0

(Check out more details on this topic in our indicators notebook)

**PERCENTAGE OF TOTAL EMPLOYEES, BREAKDOWN BY GENDER AND FUNCTIONAL CATEGORY, WHO RECEIVED REGULAR PERFORMANCE AND CAREER DEVELOPMENT EVALUATION**

	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Officers	60%	0%	60%	100%	0%	100%	100%	0%	100%
Senior Management	100%	0%	100%	58%	8%	67%	86%	14%	100%
Management	100%	100%	100%	70%	22%	92%	62%	38%	100%
Middle Management/Consultants	89%	87%	88%	67%	26%	92%	74%	26%	96%
Experts	26%	45%	33%	59%	35%	94%	62%	38%	92%
Coordinators	96%	100%	97%	91%	3%	93%	94%	6%	92%
Operational Managers	100%	100%	100%	67%	22%	89%	76%	24%	100%
Administrative/Operational	3%	30%	6%	74%	9%	82%	88%	12%	85%
Total	17%	47%	21%	71%	15%	86%	81%	19%	88%

## Safety, health and well-being

GRI 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-9

We maintain an occupational health and safety management system in compliance with current legislation, NBR ISO 45001 standards and the corporate standards of InterCement Participações. Thus, we operate on three main fronts – Systems and processes, People and behavior and Work environment – contemplated in initiatives such as:

- **Regras de Ouro (Golden Rules), which addresses in ten rules the main risks that lead to death in the cement industry.**
- **Radar, complementary to the Golden Rules, a set of rules and procedures for safety, health and the environment that includes 24 critical procedures followed by all geographies.**
- **Behavioral Safety Program, which analyzes the level of adherence of our behavior in relation to safety.**
- **Transformation Program, creating incentives and directing actions that fully influence the care of our employees.**
- **Capex OHS, which consists of the annual investment for improvements and recovery of safety items in structures and legal assistance.**

Also in the year, in all units, we started a Transformation Escalation, whose objectives are to strengthen the safety culture among employees, encouraging them to do the right thing responsibly and to demand the same attitude from their colleagues, besides mitigating or eliminating risk factors in our operations.

For this journey, we divided the journey into four phases, which include a Prevention Plan, Accident Reporting, Zero Damage and Zero Accidents. Through it, we intend to make security-related topics and activities increasingly familiar and accessible to employees and outsourced workers.

Along the same lines, another of our strengths is the behavioral program, which consists of carrying out Safe Behavior Observations (OCS), Risk Diagnoses and practices to Remove Barriers to Safe Behavior in the field, where our managers work continuously to practice the leadership perceived in the field. In these situations, leader and subordinate interact, reinforcing the positive points and assuming mutual commitments in the implementation of identified improvements. In 2022, we carried out training in all our operations, training more than 100 observers who, together with the teams already constituted, totaled 13,786 observations, which represents an increase of 185% compared to 2021.

# 13,786

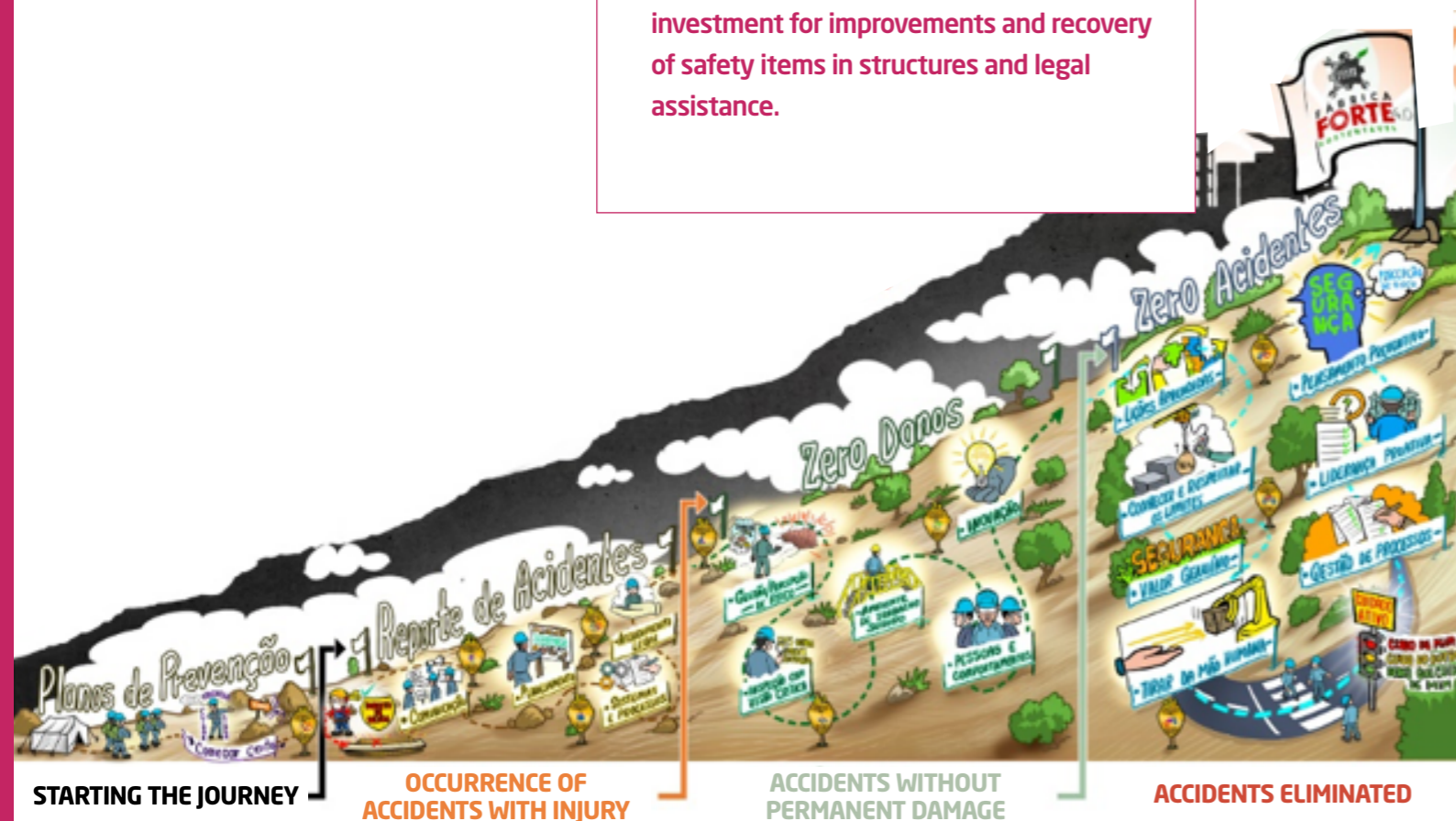
Number of observations carried out by the professional team - which in the year was reinforced by 100 trained observers

# 185%

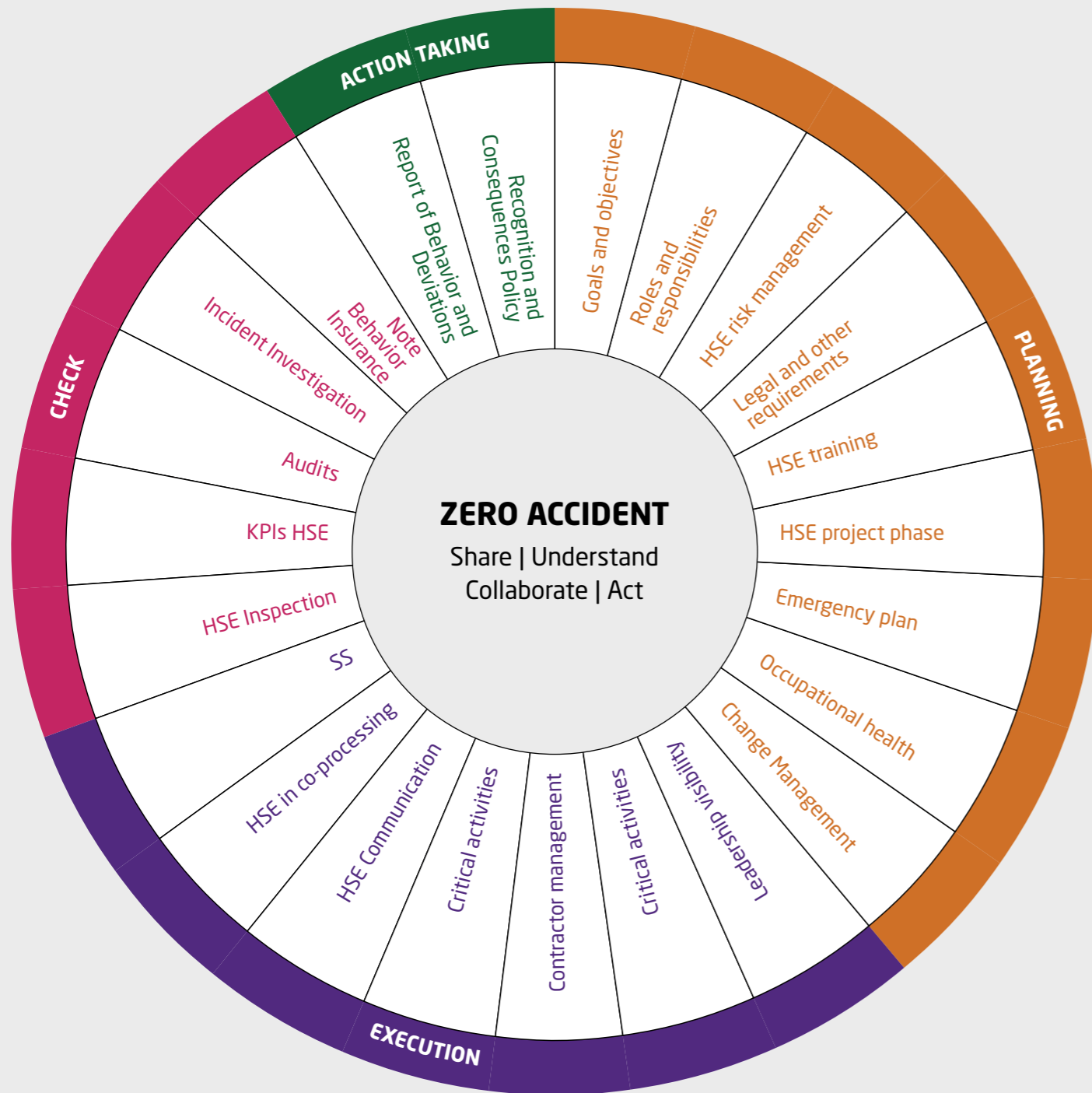
Expansion of the number of observations compared to the previous period

We also adopted the Condition and Deviation Report (RCD), a preventive tool that all own and contracted workers can fill out by reporting an unsafe condition or behavioral deviation. In 2022, 97,056 RCDs were registered in our operations. Safety deviations are dealt with by managers, and their solution is informed to workers.

All our industrial units in operation and the central office are certified under ISO 45001, an international standard focused on improving performance in Occupational Health and Safety (OHS). To manage our activities, we use an integrated management system and have a set of rules and 24 critical processes, applied by our own professionals and third parties. To improve safety, in 2022 we increased targeted Capex, which enabled structural changes that favor the mitigation of risks and dangerous scenarios.



**RADAR OHS**  
**HSE CRITICAL ANALYSIS / GOVERNANCE**  
**HSE | POLICY**



The measures to succeed in our Escalation of Transformation are not all new. Actions that were already incorporated into our daily lives are being revisited and constantly improved, in line with our Fazer Melhor (Do Better) principle. The news, in turn, adds more resources to preserve the lives and integrity of all. We are dedicated, for example, to working with the lessons learned and disseminating information so that everyone is aware of the risks and respects the limits of related equipment. We continue to use and disseminate resources such as 5S (organization and cleanliness), Inspection with a Critical View (IVC), Observation of Safe Behavior (OCS), Reports of Behavior and Deviations (RCDs) and Right of Refusal.

We also continue with the Tirar da Mão Humana (take away from human hands) project, in which we look for opportunities and solutions – technological or not – to minimize the exposure of employees to risks in their tasks. A simple example is inspections at heights, which are no longer carried out by humans and now use drones. During the year, 323 solutions were implemented and we also mapped over 10,000 suggestions made by our employees.

Aligned with our Industry 4.0 objective, in 2022 the security team spared no efforts to implement actions related to the topic. A strategic measure was the advance in the digitization of processes, in which, using the Yoobic platform, more than 20 routines carried out periodically were digitized, on mobile devices, which speeds up the detection of problems and decisions. And we evolved in relation to the planning of activities, starting to involve teams more and more so that tasks are carried out well, in terms of safety, from start to finish.

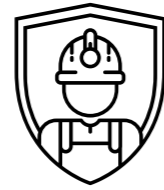
The identification of activities with a level of danger is carried out in accordance with Regulatory Standard (NR) 16, through assessments conducted by independent professionals and the issuance of a report with technical responsibility registered in the class council. For risk assessment and management of daily activities, specific tools are adopted in Radar processes. Work-related incidents are communicated and recorded through the Integrated Management Portal (PGI), investigated using cause analysis methodologies and according to severity by multidisciplinary teams at the plants where they occurred. Cause analyses are approved by the Occupational Safety and industrial management. Next, the factory prepares a plan of preventive/corrective actions, which are registered in the Action Management System and monitored as part of the factory's indicators. Lessons learned are shared with other units.

Investments in technical training continued to rise in 2022. Over 21,032 hours of face-to-face and online training were carried out, with the participation of 5,600 own and third-party employees, and approximately R\$ 445 thousand were allocated to courses for professional improvement. At Fábrica do Saber development tracks with themes on Occupational Safety are made available to all employees.

During the year, more than 5,600 people participated in four hours of training each, which resulted in over 22,000 hours of safety training. All are also trained at least once a year in the Task Risk Analysis (ARTs) of the activities they perform. Newcomers undergo a sponsorship program for at least one month.

We also retrained the entire factory team on observing safe behavior and carried out the Ser+ Líder Segurança pilot at the Campo Formoso unit, training leaders to act in an even more qualified and attentive manner. We also created a Leadership Guide, which details the routines they need to incorporate into their daily lives. The document points out, for example, ten routines that, if carried out at appropriate intervals, will certainly have a positive impact on worker safety.

All factories maintain an Internal Commission for Accident Prevention (Cipa) and, monthly, under the responsibility of the respective industrial manager, hold communication meetings, in which direct workers and third parties receive information about the results. During the year, in our Internal Week for the Prevention of Accidents at Work and the Environment (Sipatma), which included lectures, we discussed the Escalation of Transformation and actions, projects and inspirations related to it, and on the World Day of the Golden Rules InterCement, we mention them and reinforce the obligation to comply with them in full. Technical aspects were also combined with environmental aspects in a series of events and campaigns, such as the World Day for Safety and Health at Work.



**We promoted our Prevention Cup, in reference to the World Cup, with the engagement of professionals around four themes related to risk reduction and safe behavior.**

In allusion to the biggest soccer competition on the planet, we held our Prevention Cup, in which male and female players took to the field to put life first. All of our people came out on top, each person taking care of themselves, taking care of those around them and allowing themselves to be taken care of.

There were engagement actions in all operations during the four weeks of the World Cup, with four themes worked on: 1st week – Safe Behavior Observation (OCSA); 2nd week – Take from the Human Hand; 3rd week Behavior and Insurance Report (RDC); and 4th week – Risk Diagnosis.

We introduced 26 breathalyzers in all our factories in the access areas. Every professional who arrives to work has to take the test. If any amount of alcohol is detected, it is re-examined and, depending on the situation, a consequence policy may be applied. In cases where alcohol dependence is found, employees are referred to health institutions able to provide the necessary assistance. During the year, we carried out more than 1.6 million tests.

Also in 2022, we carried out an analysis of the safety culture and action plans in each of our factories, in order to standardize and place all units on the same level in the Escalada da Transformação project.

In search of alignment and sharing of actions and experiences, we brought together multidisciplinary groups in a Monthly Prevention Forum. Directors, leaders and operating teams are invited to participate. At meetings, plant managers report on recorded events and lessons learned, and action plans are drawn up to implement preventive actions that cover all units.

The physical and mental health of employees is essential for them to carry out their tasks well and safely. Through Integrated Health Management and People Support (GISA), we provide a team made up of physicians, social workers and nursing technicians, as well as tools to promote well-being, support and welcoming. In addition to actions and routine exams, health professionals work in campaigns and provide guidance to professionals.

In 2022, we promoted the More Health Journey, which included activities such as lectures, chats with specialists, group walks, dissemination of informational materials on healthy habits and incentive campaigns for people to eat better, practice sports and carry out health assessments regularly. We also kept the conversation circles and forums active to address and monitor the mental health of employees.

In line with the calendars proposed by the World Health Organization and the Ministry of Health, we run campaigns such as Yellow September (suicide prevention), Pink October (breast cancer prevention) and Blue November (prostate cancer prevention).

Another highlight was the support given to employees who are new fathers, mothers and grandparents. The measures were adopted based on dialogues and exchanges of experiences with the InterCement Institute, which maintains projects dedicated to child care. This interaction resulted in two initiatives. The first, the Mothers InterCement Support Program (AMI), which expanded the concept of motherhood to the family and led to the introduction of breastfeeding rooms in the units, postpartum health monitoring and the delivery of a reception kit, with day care allowance, increase in the value of the food benefit for six months and guaranteed payment of a minimum amount as variable remuneration. The second program is Support for Parenting at InterCement, which seeks to qualify the period of paternity leave and provide content that subsidizes adults in the exercise of parenthood, that is, offering training days for parents. The action provides for the possibility of a month's paternity leave and favors new grandparents, who are released from their duties for five days.

Adding both initiatives, in 2022 we have 94 people on maternity/paternity leave, in addition to 30 benefiting from day care assistance. In all, we invested around R\$170,000 in increasing food vouchers and reimbursement for daycare centers for these employees.



**EMPLOYEE HEALTH AND SAFETY RATES AND FIGURES**

Rates	2020	2021	2022
Number of deaths as a result of work-related injuries	0	0	0
Rate of deaths as a result of work-related injuries	0.0	0.0	0.0
Number of high-consequence work-related injuries (excluding fatalities)	0	1	0
Rate of high-consequence work-related injuries (excluding fatalities)	0.0	0.2	0.0
Number of reportable work-related injuries	10	4	8
Rate of reportable work-related injuries	2.5	0.9	1.7

**HEALTH AND SAFETY RATES AND FIGURES FOR ALL NON-EMPLOYEE WORKERS WHOSE WORK AND/OR WORKPLACE IS CONTROLLED BY THE ORGANIZATION**

Rates	2020	2021	2022
Number of deaths as a result of work-related injuries	0	0	0
Rate of deaths as a result of work-related injuries	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	1	0	2
Rate of high-consequence work-related injuries (excluding fatalities)	0.2	0	0.2
Number of reportable work-related injuries	7	7	12
Rate of reportable work-related injuries	1.5	0.9	1.3

*Note: Fees are calculated based on 1,000,000 HT.*

Campo Formoso/BA

**Outcomes**

The Transformation Escalation resulted in good safety indicators – observations of safe behavior, reports of behaviors and deviations, rights of refusal, consequence management, etc. –, which attest to the more intense and assertive performance of the security teams and the growing understanding of the leaders regarding the importance of these practices. At the end of 2022, we registered a Frequency Rate of 1.36, higher than that of 2021, which was 0.96, due to the greater exposure of hours worked and the increase in the occurrence of accidents.

Of the total number of accidents, 32% are not directly related to our industrial operations – they include burns caused by drinks in the cafeteria, involuntary pedestrians and insect bites. It works like this, the occurrences serve as a warning about the need to reinforce the idea that attention to safety must be constant, which is already in progress by the security teams and in specific campaigns and events. As for the Severity Rate, it remained stable in comparison with the previous period. We did not record any deaths or conditions that could have incapacitated employees.

We dedicate special care to all partners who, before starting to work in our units, go through an Integration process in which safety procedures and practices are presented. However, we are aware of the fact that 80% of the occurrences in 2022 involved workers from partners – a number that had been 50% in 2021.

Our intention is to increasingly integrate partners and companies that are linked to our Transformation Escalation. We studied measures such as sharing our training platform so that partner employees can expand their knowledge. We want to make companies aware of security and gain their loyalty, as reducing turnover among outsourced workers is important so that they can learn more about our practices and culture.

We maintain a process of sponsoring and welcoming new direct professionals and contracted companies, which aims to transmit our history, purpose and principles, procedures, rights and duties (Code of Ethics), as well as integrating professionals with their team and workplace, providing information and means necessary for them to start their professional activity. This means providing the necessary tools for everyone to work safely and thus allow us to move towards zero accidents and prevent environmental impacts.

# Supplies

GRI 3-3 Value Network Management | 3-3 Local development and impacts on the surroundings | 308-1 | 308-2

**More than just customers, we want to be perceived as partners by our suppliers.**

We seek to strengthen the relationship with them, share good practices so that they can evolve, recognize them for their good performance and engage them in the pursuit of sustainable development. We encourage our teams to establish positive agendas with product and service providers, which means being available not only for negotiations or problem solving, but to exchange experiences, create projects and develop joint solutions.

In mid-2022, we also restructured the Supplier Relationship Management SRM (Supplier Relationship Management) area, which now has a broader view of supplier relationships. In addition to the entire Performance Assessment process and the Partner program, we added Supplier Registration Process Management (registration and approval) and Third-Party Management activities.

At the end of 2022, our supply network included 2,500 active companies, which we targeted, for the contracting of products and services, resources that are approximately 16% higher, compared to the previous year.

Stimulation and active participation in the economy in which we operate is the focus of hiring. In our partner base, 9% are local enterprises, that is, they operate within a radius of up to 50 kilometers from our units. The amount paid to these neighbors reached R\$240 million in the year. To encourage and expand the participation of local suppliers in our base, we maintain a buyer in each operation, who seek to acquire from nearby companies whenever possible. When we hire service providers for the canteens, we advise them to buy greens, vegetables and fruits from local producers. We also increasingly increase our contracts with self-employed truck drivers, who often live in the cities where we are located or in their surroundings.

To join our partner base, all companies undergo an approval process that includes the evaluation and validation of documents proving compliance with requirements, including those related to socio-environmental aspects.

They also have access to our Code of Business Conduct and Work Safety and are encouraged to use the Ethics Line to report irregularities or misconduct. In 2022, 44% of new suppliers were hired based on environmental criteria. In our approval process, we also assess the environmental risks and impacts based on mandatory documentation according to the supply category – such as environmental licenses, registration with Ibama, municipal licenses, ISO 14001, Environmental Policy or Integrated Management, among others compatible with the nature of the supply.

Apiaí/SP



## Supplier engagement

The highlight of the year in terms of our relationship with suppliers was the effort to bring them closer to our ESG Journey and encourage them to build their own strategies related to environmental, social and governance guidelines.

We started the Journey in August 2021 with the launches of ESG concepts to suppliers at the Partner event.

Having defined with the Sustainability area which were the paths to follow based on our materiality, we began to deepen the theme through training carried out through the Edupass platform and passed on to the Supply team and participation in online events (lectures, congresses , etc.) to understand market movements.

Based on these measures, we created a diagnostic form to understand the main opportunities for topics to be addressed with suppliers. Next, we developed a schedule of workshops with the engagement of various internal areas (DIDA, Gisa, Institute, Security, in addition to actions in conjunction with Sales).

We linked the monitoring of suppliers to the Competitiveness Multiplier based on the ESG, still within the scope of the Partner program.

For the second half of 2022, we defined two indicators to monitor the ESG Journey in Supplies:



**We seek to identify the level of adherence of suppliers to social, environmental and governance guidelines through a consultation process, the results of which were discussed collectively.**

- Have at least 30% response adherence from Partner Program suppliers in the applied Diagnosis;
- Two workshops were held on the topics that stood out the most in the responses to the form.

At the end of the year, we had the following result: 34% of responses to the diagnosis and three workshops (Early Childhood Care, Good Doing Day and Constructors of Tomorrow event). In addition, we involved them in Compliance Week, besides advancing participation in SIPATMA, which takes place annually in accordance with the agendas of the Health, Safety and Environment area.

The work was done especially with the participants of the Partner Program, in force for seven years, made up of partners that we classify as strategic and/or critical to our business. This is an annual recognition initiative for service and product providers: to those that stand out, we give awards to the Best and Outstanding Suppliers. In 2022 we have the recognition of three suppliers classified as Diamond and 24 as Gold distributed in the Co-processing, Freight, Inputs, Materials and Services categories.

## The Partner Program Intercement Brasil GRI 201-2

The Partner Program involves the Services, Freight, Inputs, Materials and Co-processing segments, and aims to recognize the best suppliers and the best initiatives. Participants undergo a six-month evaluation cycle and are classified as Diamond, Gold, Silver and Bronze. With the consolidation of scores, suppliers classified as Gold and Silver are also evaluated in the Competitiveness Multiplier.

### Diamond

Refers to the supplier that meets all the pillars with excellence and is engaged in the ESG journey in Supplies.

### Gold

Meets most of the pillars with excellence and needs greater engagement with the ESG Journey in Supplies.

### Silver

Meets some pillars with excellence and needs certain adjustments in the organization and increased engagement in the ESG Journey in Supplies.

### Bronze

Does not meet the pillars with excellence and needs quick and structuring adjustments to maintain the partnership with us.

All suppliers selected for the program can participate in the Outstanding Award by submitting their projects in each of the following categories: Security, Digital Transformation, Sustainable Industry 4.0 and Participatory and Inclusive Management.

Of these partners, four were invited to share their practices in the ESG Panel with Suppliers, in which they discussed topics on B Certification with Sebanella Importação e Exportação Ltda; People Management with IBQ Indústrias Químicas (Enaex); ESG in the Process with RHI Magnesita; and Road Safety with G7 Log Transportes.

In the Highlight awards, we had engagement and submission of projects 43% higher than in the previous year. For the recognition of the period, we highlighted five projects.

The Partner Program goes much further by acting, for example, as a hub of ideas. Its differential is the half-yearly evaluations of partners by our teams. More than 700 processes are carried out every 12 months, involving more than 200 people and ranging from interviews to requesting evidence on good practices or improvement actions. In addition to being a way of monitoring the performance of partners and obtaining important information for negotiations with them, evaluations represent an important space for dialogue and rapprochement. Our priority interest is not to establish hierarchy among suppliers, but to help them reach high levels of efficiency.

All our rated partners receive feedbacks and suggestions to improve their rating. For those who perform below expectations, categorized as Bronze or below (categorized only as Participant), we propose action plans based on identified opportunities for improvement. We will value suppliers who adopt measures in excess of those contracted. Thus, in 2022, we modified the Partner regulation, giving more weight to ESG topics, and created award categories, more aligned with our Integrated Report and internal challenges.

We also carried out a consultation process, with two annual stages, to determine the level of knowledge and engagement of suppliers in relation to environmental, social and governance guidelines, learn about their practices or initiatives in this regard and identify opportunities for evolution. The results were discussed in meetings with them, in which we sought to understand the level of adherence of each one to our proposal for adherence to the best ESG practices.

One of the fruits already harvested from this diagnosis was the identification of relevant aspects to be addressed in 2022. Thus, we guided two social workshops, created in partnership with the InterCement Institute: one that addressed the theme Early Childhood – Baby Week and another about volunteering. For the next year, we have planned a new agenda of events and will invite suppliers with good performance in ESG to give lectures. During the year, we also created a panel, shared with partners, in which we listed our best ESG practices and invited them to participate in lectures at our Ethics and Compliance Week.

## Supplier development

With a view to contributing to the development of micro and small suppliers, a few years ago we supported the Productive networking, an initiative of the Brazilian Micro and Small Business Support Service (Sebrae) which aims at competitively inserting and improving the performance of small businesses in the value network of large companies.

As the first stage of the initiative, we signaled to Sebrae the main needs or difficulties that we identified in relation to the availability of suppliers in the regions close to our units and the segments in which the best opportunities are for them to serve us. Based on the information, the entity maps current and potential partners and develops plans to qualify them with a view to meeting our needs and demands. Those selected participate in training and receive advice on topics such as innovation, strategies, finance, people and sustainable development, in addition to assistance in accessing services and/or technologies.

In 2022, the cycle – of an average of three years – of the Productive Chain in Bahia, Mato Grosso do Sul and Rio Grande do Sul, which benefited 75 companies, ended. In the next edition, they participated in the program in the states of São Paulo, Goiás and Minas Gerais, where we intend to involve at least 90 participants. Among the aspects that will be further explored is the importance of engaging in ESG and digital transformation issues.

In addition, we will use the partnership with Sebrae to expand support for nano entrepreneurs, in clear alignment with Ser+ Empreendedor, a program by the InterCement Institute that provides training and access to microcredit for self-employed people and individual microentrepreneurs (MEI). The entity will serve ten potential suppliers with this profile in each state where the Productive Chain will take place to develop them and give them the conditions to join the program and expand their possibilities of serving larger customers.

Bodoquena/MS





Ijaci/MG



R\$ 1.8 million

*Amount invested in the scope of TransformaLog, a project that involves infrastructure and technology*

1.5 thousand

*Number of drivers we receive daily at our factories*

## Logistics

Key suppliers to our activities are transporters, with whom we seek to expand the partnership by providing the best working conditions. In this sense, in 2022, TransformaLog, our project involving infrastructure and technology, in which we invested R\$ 1.8 million, made significant progress. It includes the creation of comfortable waiting rooms to receive transporters and their families while they wait for cargo to be loaded or unloaded, and improvements to registration and check-in processes upon arrival at the shipment. It also includes solutions such as a scheduling system to reduce the time of professionals in our units, which allows them to select time intervals to remain in the factories. The functionality is already available in nine of our production units, with 86% of carriers (CIF and FOB) joining and an 8% reduction in the average length of stay compared to the previous year.

The news is positively impacting the management of professionals and the relationship with them, especially the self-employed, who account for more than 40% of contracted freight. We receive approximately 1,500 drivers, including self-employed drivers, per day at our factories, and we intend to increase this participation, enabling better use of time and routes. In addition to scheduling, through the application, drivers can now track loads, disclose their availability for transportation and accept hiring for freight.

We carried out structural adjustments in order to intensify intelligence in logistics and freight contracting with the Commercial area, a fact that led to a significant optimization of our service rules, resulting in more efficient hiring and a higher level of customer satisfaction.



## Improvement of logistical processes

In addition to TransformaLog, we invested in other tools and adaptations. On the S&OP side, we continued to improve the sales and production planning process, with the implementation of the PyPlan project, which consisted of the digital transformation of the stages of our commercial and operational planning. The four implemented modules (Demand, Supply, Logistics Costs and Optimization) allow for greater agility and assertiveness, in addition to the possibility of carrying out predictive analyses, simulating different scenarios with greater data granularity and optimizing margins.

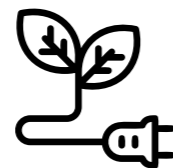
The reserve flow of materials for maintenance, in addition, became automated, which reduces our costs and the capital employed in warehouses. During the year, we also created a cell for approval of suppliers, making the process more robust and thorough. Both our buyers and contracted companies use the SAP Ariba Supply Chain Collaboration platform, with positive impacts on the quality and timing of activities in the supply network. We made further progress in relation to approval by implementing functionality that allows companies to upload documents related to quality aspects in the supply of products and services to other companies – including letters of recommendation to financial information.

Throughout the period, we also promoted the Ariba Improvements Project internally, to improve the routine and processes linked to the system. It emerged from research with our team, which pointed out opportunities for improvements. Within the scope of this initiative, we adopted actions such as the application of Design Thinking for the supply team to determine possible obstacles that impact the routines of buyers.

## Energy

In the Thermal Energy area, planning practices were improved with the review of the entire thermal matrix, including co-processing. We also develop new suppliers and new ways of acquiring petroleum coke, coal fines and mineral coal. We reached an increase of four percentage points in the share of fines in our Thermal Matrix (from 8% to 12%, compared to the previous year, providing a reduction in the cost of gcal), with the development of a supplier for Campo Formoso (BA), a unit that had not used fines for over ten years. We used the distribution model in the high sulfur coke import contract, which brought benefits to working capital and operating cash flow.

In the electricity sales business, we ended 2022 with more than 423 thousand MWh traded with the market at a price almost 1.5 times higher than the short-term average price of the year.



**Development of renewable energy generation projects was one of the themes addressed in the series of dialogues held during the year between companies in the sector, in the context of energy efficiency.**

In energy efficiency, one of the highlights was the series of dialogues between companies in the market, maintaining a positive agenda for adding value, identifying and moving forward with opportunities of mutual interest. In this context, we discussed topics related to the sale of energy and management of units in the Free Market, development of renewable energy generation projects, distributed generation, batteries for load modulation, telemetry – both frontier and sectorized –, energy efficiency in factories and burning solutions using natural gas and biogas, among others.

Focusing on increasing the synergy between the corporate energy area and the technical teams of the production units, the project implementation team and process efficiency, since 2021 specialists from various internal areas have been meeting for discussions on

energy efficiency. In this context, a pilot project for the Cajati unit stood out throughout 2022, which is in the final stages of technical and commercial discussions to start implementation in 2023. Another result of this integration was the significant drop in the payment of fines for consumption of reactive energy in the cement units, in which the constant monitoring of the telemetry installed in the units, the quick communication to the maintenance teams of the units and the agile performance of the teams in the resolution of possible electrical installation problems have shown positive results.

Together with the Operational Planning and Sales team, in addition to the production units, we also finalized a contracted demand optimization study that is already being implemented, which will provide cost optimization in 2023.

Bodoquena/MS



# Clients

**GRI 3-3 - Innovation and technological development | 308-1 | 308-2**

**We are permanently looking for ways to improve our partnership with customers and consumers, to whom we make available a complete portfolio of high-quality products - under the Cauê, Zebu and Goiás brands - besides providing access to cutting-edge technology in concreting services for large works of construction and infrastructure.**

We invest in innovation to maintain processes of continuous improvement in our activities and in the governance of the commercial area and to advance in the assertiveness of the service provided to partners in all regions of Brazil.

In 2022, our active customer base with purchases surpassed the 15,000 mark, an increase of 23% compared to the previous period. The evolution continues the significant expansion registered since 2020, linked to the strategy of approaching small building material retailers and new customers in the technical channel. This redesign of the way we position ourselves in the market combines the dispersion of the base with the prioritization of the most profitable channels. In just three years, we jumped from a monthly average of 3,500 to 7,500 commercial partners.



In 2022, this strategy now has another tool, the Customer Life Cycle Analysis, which directs us from choosing the main marketing and relationship actions for each customer to the other service activations. We have, therefore, a direction that aims to ensure greater loyalty to our base, strengthening relationships, increasing customer participation and minimizing periods of disruption in service

Our volume sold in 2022 suffered a decrease compared to the previous year, in line with the market. We thus preserved our market share and directed our efforts towards greater efficiency in the Go to Market strategy, improving our sales profile in different geographies, channels, channel segments and customer sizes. This process is only possible thanks to a governance model of continuous optimization, which annually reviews the macro strategy, but additionally promotes semester, quarterly and monthly reviews with different levels of depth, ensuring the best capture of value in a highly dynamic market.

Our strategy of spreading the customer base is transformative for the sector and has contributed to building an environment that is closer to the entire construction network, in line with the objectives of the Amigo Construtor ecosystem. In addition to having a positive impact on sales, it allows us to act as drivers of improvements throughout the network by sharing our accumulated commercial experience among its links.

To boost advances, we promoted a change in the structure of the commercial area related to customer service: we reversed the previous hierarchy – which had regional sales managers by geography and, below them, managers by channel – and we started to adopt channels as the first line management. Thus, we now have a national manager to serve distributors, one focused on the technical sales segment and three professionals dedicated to retail. Linked to each of them are collaborators who work in different regions of the country. The change creates an entire vertical dedicated to each of the channels, in order to ensure an even more qualified and balanced service in relation to the specificities of each segment.

The diversification of the portfolio, with the growing presence of smaller partners, imposed challenges, including additional costs due to having to split deliveries, establish more distribution centers and share the use of the truck fleet. However, good planning and recognition by our partners provide us with a premium price on sales and the maintenance of positive balance in negotiations. Our strategic option adds several benefits to different links in the

cement value chain, including the approximation with small merchants and the strengthening of the relationship between them and the industry, which required intermediation, generally from distributors. For the latter audience and within the scope of this journey of change, we created the Amigo Construtor Network, defining a new role, integrating them into an exclusive network of partners, in which they also act as our logistics operators. Thus, they began to serve us with transportation, handling and delivery of products, which adds a new source of income for these entrepreneurs.

The 17 partners currently operate 51 distribution points in Brazil, and in 21 of them we have opened branches and operations in the broker model. In addition to the exclusivity of our products and territorial coverage, they will be fundamental for the advancement of the Amigo Construtor ecosystem, supporting industries in the process of greater proximity to all links in the construction value chain. This advancement in the distribution model is continuous, revisited periodically by a team of specialists, always ensuring the best positioning, market by market.



**In terms of digital transformation, we launched a pilot for an online marketplace for construction materials which, by the end of the period, had already been adopted in 20 stores.**

In 2022, we carried out thematic roadmap of Rede Amigo Construtor, with the participation of our directors, sales professionals and specialists from different areas, according to the theme, to discuss their main difficulties and strategies to eliminate them. The Supply Chain and Logistics department also maintains a group that works to serve them and identify possibilities to optimize operations and reduce costs. The People area, in turn, conducts dialogue with the network of distributors to pass on good practices related to the selection, hiring and retention of professionals, for example. Our Marketing and Sales team advises on training, education and communication strategies, digital marketing and technology.

Another important movement in the year was the advance in the development of the Amigo Construtor ecosystem, which aims to generate online and offline solutions for the entire construction value chain, reaching from industries to end consumers. Despite being born as a relationship network with construction professionals, Amigo Construtor is being structured on several fronts: from an online store for the B2B2C audience, to a fulfillment model with storage, movement and logistics for large and small volumes, including the last mile, in addition to financial services.

The ecosystem will also feature a broad relationship program for different types of construction professionals, as well as a power house marketing model, supporting partner tenants in their sales and marketing needs, collaborating for better growth in their results. The kickoff was the pilot launch of an online marketplace for construction materials, initially accessible in Belo Horizonte (MG) and its metropolitan region. At the end of the period, approximately 20 stores were using the novelty, which already accounted for around 10% of their revenues. The online store is integrated with our Amigo Construtor platform and brings together the best products and offers of construction materials from retailers, distributors and industries.

Amigo Construtor is one more of our actions in favor of digital transformation, which, we believe, is important for us to improve our relationship with commercial partners and add value to them. Its launch generates a new sales channel and increased revenue for retailers. In addition to developing the marketplace, we carried out groundwork with merchants to present the tool, explain its features, train people and adjust processes for its use.

For the coming periods, with the growth of the store's scope, we intend to incorporate more and more retailers, including those that currently do not have access to the internet, and attract bricklayers, who are among the main buyers and specifiers of cement and other products used in construction. We also foresee the adoption of technological resources and the promotion of more relationship actions, in addition to the production of other educational content.

#### São Paulo/SP





# Amigo Construtor

Since 2014 we have had Amigo Construtor - a platform specialized in construction and renovation. Over the years, we've shared tips, techniques and inspiring solutions for those who are going to perform construction work.

In 2022, we took another important step: we launched an online sales platform, which connects the best brick-and-mortar construction material stores to end consumers who prefer to shop online.

The objective is to help even more the agents of this great cycle: those who work, consume, sell and resell.

In addition to making the purchase in the comfort of home, customers enjoy several advantages::



- Extensive product portfolio, from foundation to finish;



- Purchase and quotation list, gathering products from different stores in a single list;



- Dedicated team for assistance via chat;



- Closest delivery option to speed up and save on shipping.



- Easy payment with up to 6 installments on your credit card;

## Participation in iconic works

Our participation in the construction of the country takes place through works involving our concrete and cement. Among them, the highlight is the restoration and modernization of the Ipiranga Museum, an important historical symbol of São Paulo, which was reopened to the public in celebration of the Bicentennial of the Independence of Brazil, in September 2022.

**Museu do Ipiranga** - Our concrete operation in São Bernardo do Campo (SP) produced and supplied brown and black concrete in compliance with the architectural modernization project. In order to reach the exact shade, as well as the other specifications of this special concrete, several dosage studies were developed, varying the type and percentage of pigments to be used.

**Wind farms** - Our factory in Campo Formoso (BA) produced and sold cement for six wind farms in Bahia and one in Piauí, totaling 90 thousand tons. The use of concrete for the production of wind towers has made it possible to design towers at least 120 meters high, resulting in greater efficiency in the generation of electricity.

Complexo Eólico Assuruá/BA



## Satisfaction and productivity

In 2022, we continued to improve Sales Force, a Customer Relationship Management (CRM) tool that allows us to know the profile of customers in depth, stipulate better ways and moments of approach and carry out behavioral and/or transactional analyses capable of anticipating their demands. In addition, routing tools enable better coverage and service to partners, with the coordinated presence of sales consultants, promoters, internal sales and technical consultancy.

Still supported by Sales Force, in 2022 we carried out the Venda Fácil project, which aimed to optimize the sales team's routine throughout the order cycle. The initiative arose from our group listening process, carried out after the application of our NPS. As a result, improvements were made to Sales Force, which allowed for a reduction in the number of systems used by the sales teams, as a result of the teams' initial usability experience. Internal processes involving several areas were reviewed, in addition to training to update teams in relation to daily routines and processes. Finally, this process was designed as a journey of continuous improvement through the projects area, which will feed back the system with new improvements – the result of collective learning.

Over the period, we also sought new solutions with several internal areas that benefit partners, such as Finance – with which we evaluate payment methods and credit granting – and Supply and Logistics, which included advances in transformational movements at the freight and the ongoing introduction of PyPlan, an integrated planning tool that will allow us to optimize our sales.

In order to ascertain the level of customer satisfaction, we carry out quarterly surveys using the Net Promoter Score (NPS) methodology. All audiences linked to the cement network are approached with questions about the quality of our logistical service, the performance of sales consultants, among other aspects, in addition to asking them to assign a general grade to our performance.

We also carry out quarterly market research with our customer base, through which we can, with our internal projections, better estimate market behavior for subsequent months, supporting the various commercial teams in adjusting the short-term strategy.

# Communities and social focus

GRI 3-3 - Local development and impacts on the surroundings | 203-1 | 203-2 | 413-1 | 413-2

**We integrate 15 communities, in which we have production units installed. In 2022, in 100% of our operations we conducted environmental impact assessments and local development programs.**

In 13 operations, equivalent to 72% of the total, we have committees and a broad consultation process with the community. The total number of operations in the year that included community engagement programs implemented was 18 municipalities served by the initiatives, three municipalities more than the previous year.

In Ijaci (MG), our plant with the highest production capacity, we carried out a participatory socio-environmental diagnosis with the community. Thus, we assess the perception of potential environmental impacts by the community surrounding our operation. From this diagnosis, the environmental aspects and impacts that influence the life of the community are identified, and plans and environmental education programs are prepared for the audience external and internal to the enterprise.

In 2022, through the InterCement Institute, responsible for managing our private social investment, we invested around R\$ 3.5 million in this agenda. With this, we enabled a technical team dedicated to social investment and made contributions to projects that benefited approximately 79,000 people. The actions carried out are related to the four strategic pillars (two thematic and two structuring) that guide the way in which we want to contribute to community development in the territories where we operate: Child care; Productive inclusion and entrepreneurship; Leaders who transform; and Volunteering. They were defined based on the creation and consolidation of the Integrated Social Impulse (ISI) concept, which considers the link between our businesses and social issues in the places where we are present. These topics are also linked to our and InterCement Institute's performance and know-how profiles, as well as the local context, which considers the assets/potentialities and demands of each city.

We intend to be catalysts for the potential of the locations and, for this, we seek partnerships and innovative solutions. In order to make social investment viable in a participatory and representative manner, we have defined a model that foresees the operation of the following structures, in which the InterCement Institute and different stakeholders are united:

**Committees for Incentive to Volunteering and Interaction with the Community (Civicos)**

– Constituted in all our industrial units, they bring together professionals who represent the main leaders of our units, who share with the Institute the management of social investment in a given territory. This decentralization represents a differential, as it delegates responsibilities and decision-making powers to those who are effectively inserted in the communities and have more knowledge about their history, diversity, culture and potential. Members, at least five in each committee, undergo periodic training related to skills to manage projects and promote social dialogue – 138 participated in training activities carried out by the InterCement Institute in 2022.

**Community Development Committees (CDC)**

– They are made up of representatives of the Government, civil society organizations, community leaders, companies and Civicos. The participants, in joint decisions, guide, plan, monitor, mobilize partnerships and resources, evaluate and implement initiatives for the benefit of continuous community development in different locations. The Institute contributes with statistical and theoretical subsidies on topics capable of enriching debates and the elaboration of actions, in addition to offering training – there were around 250 people participating in training workshops promoted by the Institute – in relation to the different activities of the Committee.

**Ideal Volunteer Action Groups (Gaivs)**

– Established spontaneously by our professionals, friends, family and community agents motivated to organize and carry out voluntary work throughout the year, with autonomy to define topics and target audiences. During the year, 30 groups won the Prêmio Idealista (Idealist Award), recognition granted by the Institute for their continuous work.

In 2022, to expand interaction with Civics and contributions to act as per the social agendas, the Intercement Institute promoted an internal reformulation. Three Business Partners (BP) were appointed, that is, professionals who connect the areas of people and business, to offer all the necessary support to the performance of the Civics of each of the factories. A fourth BP is dedicated to strengthening links with other internal areas and encouraging their integration into social initiatives, also articulating other players in the cement value network, such as customers and suppliers.

**Social initiatives**

We recorded important advances during the year in programs and projects linked to each of the four strategic pillars that guide our social investment: private. Child care; Productive inclusion and entrepreneurship; Leaders who transform; and Volunteering.

**Child care**

The set of actions aims to contribute to the development of early childhood as a priority for municipal action and free from sexual exploitation and abuse. The activities involve social mobilization initiatives, promoted by the CDCs, which seek to make society aware of the importance of investments in this phase of life.

Within the scope of this pillar, in 2022 we continued to encourage Baby Weeks (SDB) in different locations: 14 municipalities organized a week of intersectoral activities dedicated to topics related to early childhood, prioritized based on the analysis of social indicators and the experience of professionals from different areas who work in services and equipment to assist the population.

Together, these territories have around 100,000 children up to six years of age, which represents an average of 8% of their populations.

The SDB has been part of our social investment strategies since 2013 and consolidates itself as an effective practice in mobilizing early childhood, disseminating information about the specificity of the care required at this stage of life to promote full and healthy development of the individual. In order to share this experience and its results, to encourage the expansion of local partnerships and inspire other institutions to include early childhood in their social action agendas, the InterCement Institute prepared and made public a document systematizing this experience: [All together for early childhood – an invitation to discover the Baby Week experience](#). Guided by the publication, within the scope of the ESG journey, in partnership with the Supplies area, we promoted a workshop with partner suppliers to share and dialogue about first-rate care practices in the corporate environment and in communities.

We also continued our participation in the Na Mão Certa program, to combat the sexual exploitation of children and adolescents. Since 2007, we have supported the Childhood Brasil initiative, which includes carrying out actions and campaigns to mobilize governments, companies, third sector organizations and society to adopt effective measures in relation to the issue. Our contribution involves working with carriers and truck drivers, in addition to articulating with the Government and civil society in the municipalities where we operate, to promote the Na Mão Certa Week – dedicated to carrying out activities that address the theme with different

audiences. Throughout the year, the event has already been provided for by municipal law in 12 cities in the states of Alagoas, Paraíba, Bahia, Goiás, Mato Grosso do Sul, Minas Gerais, São Paulo and Rio Grande do Sul.

During this period, we also worked to strengthen a campaign, suggested by Childhood Brasil, to raise awareness of underreporting of cases of sexual violence against children and adolescents and the importance of discussing the topic. It is estimated that only 10% of cases of sexual violence are reported to the authorities.

Finally, on behalf of parents, we also carry out actions in partnership with the People area, which provide support and benefits to mothers, fathers and grandparents of newborns.

### **Productive inclusion and entrepreneurship**

The focus on this pillar is projects linked to our value chain that contribute to productive inclusion, qualification of current and future entrepreneurs and the viability of their businesses, work preparation and support for small producer cooperatives.

One of the initiatives is Ser+ Empreendedor, which consists of providing nanoentrepreneurs with access to training – so that they adopt good management and strengthen their businesses – and to productive microcredit. In 2022, 30 new microcredits were granted to entrepreneurs who participated in the training cycles held in 2021, and we saw the beginning of repayments of the first credits granted to 71 entrepreneurs. We also strengthened the Biomassa Brasil project, granting 143 new microcredits to the network of partner associations and cooperatives in Campo Formoso (BA), totaling around R\$228,000.

The measure had positive impacts, increasing by 26% the purchase by the factory in Campo Formoso (BA) of waste from this network. The Biomassa Brasil project aims to develop suppliers of waste from family farming, which can be used by our factories to feed the ovens. The initiative benefits six productive groups in the municipalities of Cezarina (GO) and Campo Formoso (BA).

# 12

*Cities contemplated with the Na Mão Certa Week, of activities to combat the sexual exploitation of children and adolescents*

# 143

*Number of new microcredits granted in the context of the Biomassa Brasil project*



Also in 2022, in Cajati (SP), with the aim of establishing new partnerships with potential local biomass suppliers, we received palm heart husks and açai kernels, which are undergoing burning tests to verify whether they can be used as fuel.

Two other projects linked to the theme of productive inclusion and entrepreneurship are HousingPact and ReformuLAR. The first consists of supporting a network made up of 21 organizations, including the InterCement Institute, and ten social impact startups, which aims to contribute to fostering and developing businesses, products and services related to the housing sector for low-income populations. The idea is to identify innovations that contribute to qualifying the housing experience of this public, which includes granting microcredit, development of materials and construction methods and solutions to improve water supply and basic sanitation. Five pilot projects were implemented and another five proposals were selected. There was also an approach of the Amigo Construtor network, our relationship platform with tenants and professionals in the construction sector, in order to identify opportunities for future partnerships.

ReformuLAR, still in the pilot phase, was applied in the city of Apiaí (SP), but our plan is to extend it to other municipalities, as learned during its execution. The project also aims to contribute to the improvement of housing conditions for low-income people through the availability of a complete solution for renovation, which includes: design, granting of credit and execution of the work. By 2022, eight houses had undergone renovations.

### Leaders who transform

Our objective in this axis is to prepare people from the community and from our units to be local protagonists and capable of planning, preparing, executing and monitoring projects, in addition to raising funds for initiatives that bring about substantial changes in the lives of populations. Based on training processes, we believe that we are contributing to the strengthening of community ties, the appreciation of local knowledge and the sustainability of initiatives.

One of the projects carried out in this axis is Basis, launched in 2022 in partnership with Fundação Dom Cabral, which promotes training for managers of social initiatives. Among its objectives are to contribute to the strengthening of impact initiatives and to improve the potential return on social investments. In the first edition, whose activities will extend until 2023, 27 representatives of 13 social organizations from eight municipalities participate. Activities include diagnosis of participating entities, workshops, mentoring, theoretical classes, case studies, etc. We therefore wish to facilitate social organizations' access to tools and knowledge capable of boosting their management and the conduction of their projects.

The second initiative is the Diagnosis of Municipal Funds for Children and the Elderly, which consists of assessing how municipalities are doing in relation to these mechanisms and contributing to their establishment and/or strengthening. The work, carried out with municipal managers and counselors, included documental and governance assessment of the Funds, to understand their weaknesses and possible paths for their regularization and/or opportunity for strengthening. The diagnosis was carried out in nine municipalities and mobilized 14 Rights Councils.

Within the scope of internal leadership, Integra Cívicos promotes a closer relationship between the Institute and Cívicos participants and volunteers working in each of the territories. The activities carried out include face-to-face training, systematic monthly meetings and assistance in planning actions.

In addition, in 2022, the InterCement Institute was invited to include the theme of private social investment among the contents transmitted to young trainees in the industrial area, with a view to promoting the perpetuity of the concept of sustainability in the new generation of leaders.



**Through the Dia do Bem Fazer (Good Doing Day), we benefited a cooperative, an association, nine schools, eight public spaces and eight Civil Society Organizations during the year.**

### Volunteering

We want to provide conditions for volunteering in communities, both for our employees and their families and partners, whether in initiatives suggested by us, such as the Dia do Bem Fazer, or in actions selected and supported by GAIVS. The performance model through the GAIVs provides for the promotion of voluntary actions on an ongoing basis. In 2022, male and female volunteers were part of the 37 groups that carried out sports, cultural, assistance and training activities in 14 municipalities.

In relation to the already traditional Dia do Bem Fazer, its 14th edition was promoted, involving 18 municipalities, where 27 initiatives were carried out that benefited, directly and indirectly, around 45 thousand people. With approximately 3,186 voluntary participations – of which more than 1,300 of our professionals – improvements were made to the infrastructure of schools, cooperatives and associations, in addition to promoting moments of leisure, culture and guidance for the job market, among others. In this great movement of active citizenship, the construction of a Basic Health Unit in the District of Gameleira, in the municipality of Cezarina (GO) stood out. The joint efforts between companies, the Government and volunteers made it possible to build the public facility in 54 days.

#### DIA DO BEM FAZER (GOOD DOING DAY)

	2020	2021	2022
Municipalities served by the initiative	18	15	18
Volunteers involved with the initiative	1,030	1,112	3,186
Beneficiaries of the initiative	35,459	18,792	45,512

# Environment

GRI 3-3 - Energy, emissions and climate change | 3-3 Use of materials, waste and circular economy | 3-3 - Environment and nature (air quality, water, biodiversity and waste)

**We are committed to improving the measures adopted to measure the effects of our activities on ecosystems, as well as developing, mapping and incorporating innovations, technologies and/or practices that contribute to increasing efficiency, mitigating risks and damages and reducing our ecological footprint.**

In 2022, we disbursed more than BRL 37 million in projects to improve pollution control equipment, investments and environmental expenses, planned in line with the commitments and goals that we will agree to achieve by 2030, intensifying the use of renewable energy sources, replace fossil fuels and reduce emissions, waste and use of non-renewable natural resources. We made progress during the year in terms of ways to achieve our goals: our ESG Management, in partnership with representatives from different internal areas, developed plans and listed actions to be implemented immediately and in the coming years.

We want to exceed the regulatory and legal obligations associated with the environment in our operations, but we ensure that there are no deviations in relation to them, maintaining an efficient system to monitor licenses, conditions and environmental authorizations. The quality of our environmental management is certified by ISO 14001:2015, renewed in 2021, which covers all our production units.

Reinforcing our commitment to incorporating and promoting sustainable practices with civil construction, our concrete operation in São Bernardo do Campo was certified by ISO 14001:2015 at the end of 2022, initiating a process that will be extended to the other units. The environmental certification of a concrete operation represents an important milestone for the sector, as the material is the most consumed by humanity after water.

## Emissions

GRI 305-1 | 305-2 | 305-3 | 305-4 | 305-5 | 305-7

Our concern for the environment is expressed in the operational management model for concrete, in which water use control serves not only as a quality parameter, but also for its better use through closed circuits with the reuse of reused water.

Also noteworthy is the destination of concrete waste, returned to the quarries in a reverse supply logistics system, becoming a source of raw material for the production of running spouts, which can be used in different types of works, closing the cycle in circular economy model.

One of the topics to which we dedicate more attention is emissions, especially Greenhouse Gases (GHG) resulting from cement production. One of the measures already adopted is the reduction in the use of fossil fuels, mainly petroleum coke, in our furnaces. The replacement of fuel with alternatives such as waste and/or renewable, less polluting materials is underway. The benefits of co-processing include reducing the cost of thermal energy – by enabling the thermal destruction of waste in the kilns – and GHG, but also strengthening the circular economy, contributing to the eradication of dumps and generating income in communities and in the network value of transportation and waste treatment.

Campo Formoso/BA



In 2022, we achieved the best thermal replacement result, with a monthly and annual record, an increase of 14% compared to 2021. This fact stems from the performance of several manufacturing units: Candiota (RS) +4% | Bodoquena (MS) +53% | Ijaci (MG) +18% | Cezarina (GO) and Campo Formoso (BA) +14% | São Miguel dos Campos (AL) +6%.

In the second half of the year, at the units in Ijaci (MG) and Cajati (SP), we broke records in the use of alternative fuels – we reached 50% in one of them – and in Cajati (SP) we started environmental licensing for other types of waste, which opens up excellent perspectives for the coming periods. At the Cezarina (GO) plant, we approved a strategic co-processing project that will allow us to go over 50% co-processing share in 2023. By 2030, we intend for it to respond to 50% of our factories' needs – in 2022, the share was 28.4%.

In 2022, we used 379 thousand tons of alternative waste and alternative raw materials in our kilns, representing a 16% increase compared to the previous period. As alternative fuels, we use blends (including a mixture of processed waste suitable for co-processing), waste tires, coal grinds and biomass. Regarding this last source, we maintain a project in partnership with the InterCement Institute that benefits small rural producers. They provide us with baru, babassu and licuri, expanding their sources of income. Named Biomassa Brasil, the project involves farmers in Bahia and Goiás, but it is expected to grow: in 2022, we have already received palm heart husks and açaí seeds from potential partners in São Paulo for testing. In line with the waste management hierarchy, co-processing only involves waste that cannot be recycled or reused.

In line with the material theme of Environmental Care, we continue to prioritize the use of electricity generated from renewable sources. We have stakes in three Hydroelectric Power Plants that supplied 69% of the total consumed by us in the year, which constitutes an important competitive differential. We are drawing up plans to also rely on wind and solar generation as a way of guaranteeing supply in periods of drought, without the need to acquire input from providers that rely, for example, on thermoelectric plants.

We also add, year after year, new technologies to become more and more in industry 4.0. With the use of predictive techniques, we are managing to increase maintenance reliability. In addition, the new resources have been promoting an improvement in the performance of our processes and equipment, and among the gains that will be captured is the possibility of reducing the incorporation of clinker in the cement production process and reducing the consumption of non-renewable origins.

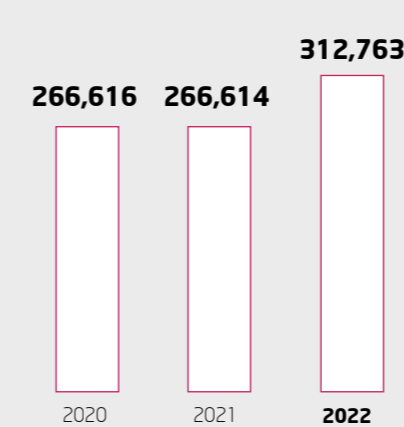
In 2022, 17,6, 17.6% of the cement produced originated from alternative raw materials, that is, by-products from other industrial activities such as fly ash and slag from the steel industry. Of note is the Cajati plant, which uses more than 88% of all inputs in its manufacturing process from alternative materials. We also use our specialist system, developed in-house, for cement and raw cement grinding. This is an automatic pilot – in operation at 19 grinding mills, with a high level of utilization – which ensures greater optimization of the operation.

**DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1) (tCO<sub>2</sub>e)<sup>1</sup>**

	2020	2021	2022
Generation of electricity, heat or steam	1,792,414	1,934,424	1,830,184
Physical-chemical processing	3,348,621	3,537,477	3,445,320
Transportation of materials, products, waste, employees and passengers	21,288	22,221	25,504
Fugitive emissions	0	0	0
Total gross CO <sub>2</sub> emissions	5,162,323	5,494,122	5,301,009

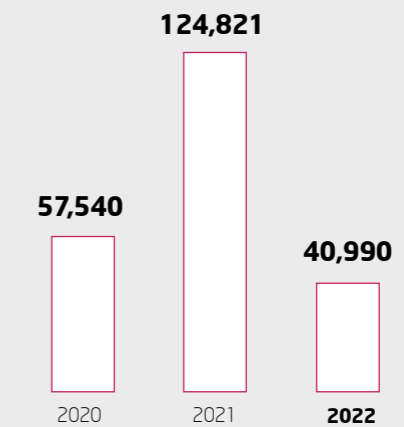
1. Gases considered in the calculation: CO<sub>2</sub> and N<sub>2</sub>O.

**BIOGENIC CO<sub>2</sub> EMISSIONS (SCOPE 1) (tCO<sub>2</sub>e)<sup>1</sup>**



1. Gases considered in the calculation: CO<sub>2</sub> and N<sub>2</sub>O.

**INDIRECT EMISSIONS FROM ENERGY ACQUISITION (SCOPE 2) (tCO<sub>2</sub>e)<sup>1</sup>**



1. Gases considered in the calculation: CO<sub>2</sub>. The reduction was due to the change in Brazil's energy matrix, which in 2021 had a factor of 1.26 KgCO<sub>2</sub>/MWh and in 2022 is on average 43 KgCO<sub>2</sub>/MWh.

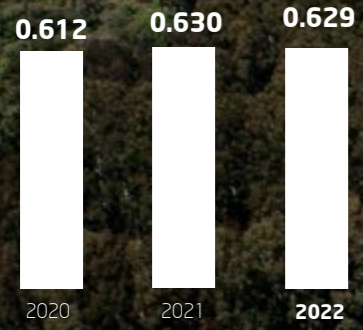
**GHG EMISSION REDUCTIONS ACHIEVED AS A DIRECT RESULT OF EMISSION REDUCTION INITIATIVES S (tCO<sub>2</sub>e)**

	2021	2022
Reductions from direct emissions (Scope 1)	331,799	138,687
Reduction from indirect emissions from energy acquisition (Scope 2)	67,281	-16,551
Total GHG emission reductions	399,080	122,136

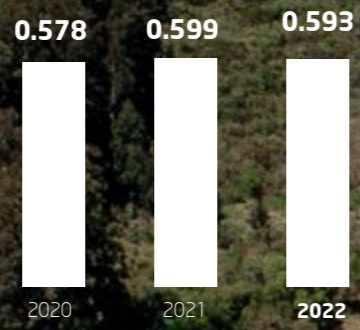
Note: The reductions were calculated based on 2020 and our focus, at this first moment, is on reducing the intensity of net GHG emissions.



**INTENSITY OF GREENHOUSE GAS EMISSIONS - GROSS (tCO<sub>2</sub>e/TON OF CEMENT)**



**INTENSITY OF GREENHOUSE GAS EMISSIONS - NET (tCO<sub>2</sub>e/TON OF CEMENT)**



*\*Note: The indicators were recalculated due to an adjustment in the amount of cement.*





We keep an ongoing decarbonization strategy in line with sectoral or individually assumed commitments. We have gathered 118 initiatives related to energy efficiency, the use of alternative fuels and clinker substitutes in our mitigation portfolio, each with calculated reduction potential. In addition, we prepared the internal guide on climate change, a document that aims to provide knowledge on the subject and guide our professionals on carbon intensity, opportunities, risks and technologies to reduce Carbon Dioxide emissions.

Another highlight is our disbursement of approximately R\$ 150 million planned for up to 2024 in maintenance and filter changes in industrial units. The new features have the advantage of including modern equipment that ensures the lowest emission of particulate matter on a constant basis. With this measure, we intend to maintain our operations with particulate emissions well below the levels allowed by law.

In 2022, we emitted 14,466 tons of NOx, 3,160 of SOx and 13 tons of heavy metals. The 1% reduction in the coverage of the SOx parameter is due to the small amount of clinker produced by furnace I at Campo Formoso, which does not have a continuous SOx monitor.

The expansion of monitoring coverage of secondary parameters stems from isokinetic campaigns carried out at the Cajati units and at Furnace II at Apiaí, which had not been monitored in the previous year.

For 2023, our target is the emission of 92 tons of specific particulate matter and 2,190 tons of specific NOx. The data were compiled according to the guidelines of the Global Cement and Concrete Association for the topic.

## Energy consumed

### GRI 302-1 | 302-3

We use two types of energy in our operations: thermal and electrical. The first, adopted in clinker kilns and drying operations, originates from the burning of fuels, which can be renewable or non-renewable. Electricity, which we receive through the distribution network of the national integrated system, is used in mills, raw material crushers and coolers.

Thermal energy is calculated from fuel consumption and electrical energy measured throughout the production stages and confirmed by the distributor's invoices. The data is entered into the Cement Know How InterCement (CKHIC) system, a primary database for managing the Industrial and Environmental Performance of the Operating Units. Data is collected automatically, validated by cement plants and transferred to a spreadsheet prepared by the Global Cement and Concrete Association (GCCA), which calculates indicators related to absolute and specific emission of carbon dioxide, energy consumption and energy efficiency indicators, among others.

In 2022, we consumed 26,997,509 GJ of energy, 11% from renewable sources (biomass) and 13% from the electricity grid. Of this second source, 69% of the volume was generated by the three hydroelectric plants in which we have a stake.

### SIGNIFICANT ATMOSPHERIC EMISSIONS (TONS)<sup>1</sup>

	2020	2021	2022
NOx	11,443	14,258	14,466
SOx	2,212	3,571	3,160
Particulate matter (PM)	891	795	552
Dioxins/furans	0.000000000268	0.000000000259	0.000000000056
Volatile Organic Compounds (VOCs)	n/d	96	108,26
Heavy metals	18	9	13

### TOTAL ENERGY CONSUMED (GJ)

	2020	2021	2022
Fuels from non-renewable sources	19,665,574	21,497,193	20,611,263
Fuels from renewable sources	2,446,452	2,566,929	2,968,388
Electricity <sup>1</sup>	3,296,233	3,488,636	3,417,858
Energy sold <sup>2</sup>	0	0	0
Total	25,408,259	27,552,758	26,997,509

1. Sum of energy acquired from the national integrated system and self-production

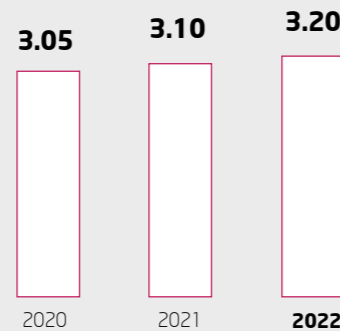
2. Cement factories did not sell any type of energy.

**PERCENTAGE OF ENERGY CONSUMED, BY TYPE (ELECTRIC, RENEWABLE AND NON-RENEWABLE)**

Total energy consumed (%)	2020	2021	2022
Energy from fuels from non-renewable sources	77%	78%	76%
Energy from fuels from-renewable sources	10%	9%	11%
Electricity	13%	13%	13%

**ENERGY INTENSITY (GJ/TON OF CEMENT)<sup>4</sup> GRI 302-3**

Our energy intensity in 2022 was 3.20 GJ/ton of cement<sup>3</sup>, increased by the greater participation of cements for technical channels, which require greater demand for thermal and electrical energy.



3. Cement products include produced clinker, consumed components in Portland cements and products used as cement substitutes, including sold clinker and excluding purchased clinker.

4. The lower calorific value data of each fuel is determined in our chemical laboratories or extracted from the GCCA (Global Cement and Concrete Association) database. The calculation includes consumption of fuel, electricity, heat and steam within the organization.

Cajati/SP



**Water**

**GRI 303-1 | 303-2 | 303-3**

Despite the low consumption of water in cement production, we are looking for ways to reduce it, expanding, for example, the control of our consumption, leak detection system and reuse of water. The cement operation uses a closed system to cool the main equipment, which means that we don't have many losses because the process includes a very effective reuse of the water used.

Some plants have the system under the ground, which makes the process of identifying leaks and periodic maintenance difficult. As part of the strategic plan to reduce water consumption, we are gradually changing the location of these pipes. Thus, in factories such as the one in Nova Santa Rita (RS) a new circuit was installed, aerial and easy to maintain.

As actions to reduce water consumption, we are also reusing wastewater or effluents for activities such as wetting lanes. In 2022, we also completed the construction of a water supply network at the Ijaci (MG) unit, which will contribute to more efficient consumption and less possibility of leaks.

In operations, we consume the resource from several sources, according to the availability of each unit: watercourses, groundwater from wells, accumulated rainwater and water from supply companies. Consumption takes place on four main fronts: for cooling equipment and cooling gases from the ovens; to control fugitive dust (wetting roads, stockyards, continuous conveyors); for potable use; and in the mills.

Disposal occurs, mostly, by evaporation, since the main consumption is for cooling gases and equipment. Other effluents, such as sanitary effluents and those from water/oil separator tanks, are properly treated and released according to the technology used in each unit, destined for soil infiltration, release into water courses or to the local service concessionaire.

We have developed internal procedures to verify the integrity and performance of liquid effluent treatment systems and the quality of water captured for human consumption. There are no specific standards for the cement manufacturing activity. The frameworks defined for the water bodies receiving the effluents are considered to define the release pattern to be adopted, according to the applicable legislation. As an example, the main standards to release sanitary effluents into class 2 watercourses of CONAMA 357/2005 stand out: pH between 5 and 9, temperature below 40°C, sedimentable materials up to 1 mL/L, mineral oils up to 20mg/L and vegetable oils and animal fats up to 50mg/L.

**INDICATOR**

	2020	2021	2022
Total water collected (liters)	1,653,000	1,963,800	1,818,100
Specific indicator of collected water (l/t of cementitious products)	201	258	216

**TOTAL WATER WITHDRAWAL, BY SOURCE (ML)<sup>1</sup>**

	2020	2021	2022
Surface water	698	1,525	1,315
Underground water	562	179	206
Water from third parties	393	259	297
<b>Total</b>	<b>1,653</b>	<b>1,964</b>	<b>1,818</b>

1. Sea water and produced water are not collected. The units of Brumado, Jacareí, João Pessoa, Pedro Leopoldo and Suape (from the moment they were hibernated) were not considered.

Note - We do not report the indicator by areas of water stress or recycled water.

**Biodiversity**

**GRI 304-1 | 304-2 | 304-3 | 304-4**

We maintain 2,922.4 hectares of protected and restored areas throughout Brazil, and all our units have licenses and environmental studies, monitoring and mitigation programs, in order to control actual and potential impacts. In addition, since our founding, more than 190 hectares have been donated to the Government for environmental protection and compensation.

In 2022, the Mining Closure Plans were updated, reports that are used as a basis to calculate the financial provision, which was over R\$ 30 million. Recovery is carried out through the Degraded Areas Recovery Plan (PRADs), with 12 mines in progress.

**PROTECTED OR RESTORED AREAS**

Aspect	Forest Compensation Areas	Permanent Preservation Areas	Legal Reserve
Area size (ha)	248.9	608.7	2,064.8
Location of areas of protected or restored habitat;	Bodoquena (MS), Santana do Paraíso (MG), Cezarina (GO), Ijaci (MG), Cajati (SP) and Caxitu (PB)	Campo Formoso (BA), São Miguel dos Campos (AL) João Pessoa (PB), Caxitu (PB), Cajati (SP), Apiaí (SP), Ijaci (MG), Cezarina (GO), Santana do Paraíso (MG) and Bodoquena (MS)	Campo Formoso (BA), São Miguel dos Campos (AL), João Pessoa (PB), Caxitu (PB), Cajati (SP), Apiaí (SP), Pedro Leopoldo (MG), Cezarina (GO) and Bodoquena (MS)
Status of each area	Areas under regeneration/recovery	Preserved areas	Preserved areas

**OWNED, LEASED OR MANAGED OPERATING UNITS WITHIN OR ADJACENT TO PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE LOCATED OUTSIDE PROTECTED AREAS**

	Apiaí. Area called MA079 (Identifier of the potential map)	Campo Formoso. Priority area called Serra da Fumaça
Geographic location	API: 71.7185.78 m E; 7286739.26 m S Fuso 22J	CAF: 354406.65 m E; 8837079.39 m S Fuso 24L
Surface and underground areas owned, leased or managed by the organization	API: Located within an area considered to be of extremely high priority for the preservation of biodiversity	CA: Located within an area considered to be of extremely high priority for the preservation of biodiversity
Position in relation to the protected area	API located within areas considered to be of extremely high biological importance for the preservation of biodiversity	CAF located within areas considered to be of extremely high biological importance for the preservation of biodiversity
Type of operation (office, manufacturing/production or extractive operation)	Cement manufacturing and limestone and clay extraction	Cement manufacturing and limestone and clay extraction
Operating unit size (hectares)	API:110	CAF: 39
Value for biodiversity characterized by the attribute of the protected area or high biodiversity value located outside the protected area (terrestrial, freshwater or marine ecosystem)	Areas of extremely high biological importance	Areas of extremely high biological importance
Value for biodiversity characterized according to a protected status listing (such as IUCN System of Protected Area Management Categories, Ramsar Convention, national legislation)	Areas of extremely high biological importance, according to Ordinance No. 463, of December 18, 2018 (IBAMA)	Areas of extremely high biological importance, according to Ordinance No. 463, of December 18, 2018 (IBAMA)

**TOTAL NUMBER OF SPECIES INCLUDED ON THE IUCN RED LIST AND NATIONAL CONSERVATION LISTS WITH HABITATS LOCATED IN AREAS AFFECTED BY THE ORGANIZATION'S OPERATIONS, BROKEN DOWN BY LEVEL OF EXTINCTION RISK**

Extinction risk level	2021	2022
Critically endangered	0	0
Endangered	0	1
Vulnerable	4	7
Nearly endangered	5	10
Of little concern	50	174

**Waste**

**GRI 306-1 | 306-2 | 306-3 | 306-4 | 306-5**

The various stages of production and support generate hazardous waste, such as oil, tow and waste, and non-hazardous waste, such as recyclables and refractories, among others. Waste is disposed of at licensed locations with appropriate technologies so that it does not result in a reduction of natural resources and contamination of soil, water and air. There is also the internal disposal of own and third-party waste for co-processing, which consists of replacing fossil fuels with waste in the clinker kilns.

All of our factories have sorting centers, and we constantly reinforce our intention to reduce, recycle and reuse as much of the waste generated as possible. We maintain studies, for example, to increase the waste that can be used in co-processing. There are also additional initiatives, such as establishing processes for reuse and extending the longevity of wooden pallets used in the units, all produced with certified wood.

Another action is the partnership with Eureciclo for the financial environmental compensation of our post-consumer cement bag, which in 2022 reached 40% of the total shipped – growth of 29 percentage points compared to 2021. The amount paid is destined to actions and partners that promote reverse logistics, remunerating the environmental service of cooperatives and sorting operators with additional resources.

Solid waste management prioritizes the energy reuse of materials. The optimization of internal processes, generation of reports and documents, and the search for approved suppliers are done via specific software. In this way, we are able to transform internal waste that cannot be recycled into thermal fuel for the clinker kilns. Waste generated that is not reused is sent for recycling, and hazardous waste (class I contaminated waste) is sent to landfills. Our waste is not managed by third parties.

**WASTE GENERATED BY COMPOSITION, IN METRIC TONS (T)**

Waste composition	2020	2021	2022
Hazardous waste	16,861	1,638	877
Non-hazardous waste	1,027	7,636	6,311
<b>Total waste</b>	<b>17,888</b>	<b>9,274</b>	<b>7,188</b>

**FINAL DISPOSAL OF WASTE WITHIN THE ORGANIZATION (T)**

Indicator	2020	2021	2022
<b>Non-hazardous waste</b>			
Landfill	10,198	1,026	638
Co-processed	538	619	513
Reuse/recycle	6,070	5,974	4,754
Other forms of recovery	55	17	406
<b>Total non-hazardous waste with final destination</b>	<b>16,861</b>	<b>7,636</b>	<b>6,311</b>
<b>Hazardous waste</b>			
Landfill	139	46	69
Co-processed	178	219	201
Reuse/recycle	710	1,373	607
<b>Total hazardous waste with final destination</b>	<b>1,027</b>	<b>1,638</b>	<b>877</b>

The total volume of waste generated and disposed of in 2022 was lower than in 2021. However, control takes place at the destination. Thus, in 2021, a large volume of waste stored in the units for other years had been disposed of. In 2022, the generation/disposal flow was continuous, without the need for the allocation of liabilities (carried out in 2021) and the creation of significant new volumes stored.

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## OUR OPERATIONS

GRI 3-3 - PROFESSIONAL EXCELLENCE | 3-3  
INNOVATION AND TECHNOLOGICAL DEVELOPMENT |  
301-1 | 301-2 | 301-3

The team  
disclosed  
commitment  
to good  
results

Among the advances made in the industrial area in 2022 is the engagement of teams around our purposes, principles and ESG Journey. The industrial team, which makes up approximately 65% of our professionals, had its autonomy strengthened and revealed its commitment to results when verifying the coherence and consistency of the planned planning and the ongoing or planned executions.

Using the NPS (Net Promoter Score), methodology, we regularly assess employee satisfaction, which, in the year, reached 87 points out of 100. We developed an action plan, which included the participation of managers and professionals from the factories, to identify areas for improvement and improve the work environment at the units. The presence of representatives from the People area to explain the benefits and opportunities available to professionals was another positive movement. We also revitalized our communication actions at the factories and re-established routines and meetings – hitherto suspended due to the Covid-19 pandemic – which favored the alignment of our teams and the proximity between leaders and subordinates.

All units have a work methodology to overcome results. In addition, as a way to materialize the strategy to all employees, the units maintain their identity that supports cultural transformation and the engagement of all in the same direction.

The achievement is the result of the implementation of the Performance Program actions and integrated and planned action between the Industrial Units with the areas of Corporate Maintenance, Industrial Performance and Technology & Processes.



**We invest in human and material resources in line with our purpose of permanently seeking more efficiency in processes and equipment.**

## Identities created in operations and their slogans



**Apiaí (SP)** – Pathfinders from Apiaí and Itaoca represent the Apiaí unit, the identity of a pioneering team with strength and tradition. Where it all started. The unit carries respect and perfection in its attitudes and focus on constant growth.

**The motto of the unit is: Determination, Grit and Innovation!**



**Bodoquena (MS)** – The Jaguar's coat is characterized by black spots in the form of rosettes of different sizes. These rosettes are like the animal's fingerprint and serve to differentiate it. Thus, like the Jaguar, the unit of Bodoquena, the Beast of the Pantanal, has its own identity. Its greatest strength is in the team, a team that seeks to consolidate the culture of high performance through focus, strength and determination!

**The motto of the unit is: The Beast of the Pantanal.**



**Cajati (SP)** – The team from Cajati is Tropa do Vale and is supported by five pillars: Security, Trust, Unity, Determination and Resilience. A team of strength and tradition, represented by the eagle for its courage, strength and sovereignty!

**The motto of the unit is: Attitude Security. Quality, we are the Tropa do Vale**



**Campo Formoso (BA)** – The Campo Formoso unit is the Jewel of the Sertão for its ability to generate superior sustainable results, with quality, respect for life and the environment. And more than that, because all the people in the unit are like precious jewels: even if different in “shapes, colors and sizes”, each person has great value that adds and is fundamental in the final result of the unit!

**The motto of the unit is: The sertanejo is first and foremost a strong person!**



**Candiota (RS)** – Taurus do Pampa is the identity of the Candiota unit. The taurus represent the figure of a brave, bold, fearless, courageous, strong, energetic gaucho who communicates easily and is always ready to face any challenge, just like the people in the unit. With the colors of the gaucho flag, the identity reinforces the local tradition valued by its people, who are proud of their land and bring respect, education and friendship.

**The motto of the unit is: Taurus is safety, attitude and quality!**



**Cezarina (GO)** – Fortes do Cerrado is the team at the Cezarina unit, represented by the Maned Wolf, a strong, dominant and important animal for the ecological balance. A team that seeks to work in full harmony with the environment. A team with resilience, which, like Aroeira, does not lose firmness and determination to achieve results!

**The motto of the unit is: The Strong Ones from Cerrado.**



**Ijaci (MG)** – The locomotive provides power for train or train locomotion. It represents the Ijaci unit, a machine that safely transports people from the unit. It also represents the grandeur of the factory, the one with the largest capacity in Brazil, with a team supported by the pillars of the Fábrica Forte 4.0 Sustainable!

**The motto of the unit is: The strength is in the team.**



**Nova Santa Rita (RS)** – Aguerridos do Vale represents people who have the courage and boldness to overcome challenges. This is the identity of the Nova Santa Rita unit, which is located in a region with strong traditions. The roper represents the unit’s team, which acts with bravery, determination, is not afraid of challenges and does not measure efforts in the search for results. Nova Santa Rita is a versatile plant, with great capacity and operational robustness, in addition to a privileged position for logistical services in the region.

**The motto of the unit is: Grit, Unity and Tradition**



**Santana do Paraíso (MG)** – The Santana do Paraíso unit is located in Vale do Aço, in Minas Gerais, and its identity, Gavião de Aço, represents the strength of the team. The hawk, one of the largest birds of prey in the animal kingdom, with privileged and far-reaching vision, portrays the team’s vision focused on the future with clear objectives. The claws are the hands of all the people who work at the unit, who have the power to make a difference with strength and attitude!

**The motto of the unit is: Steel Hawks**



**São Miguel dos Campos (AL)** – The identity of the São Miguel dos Campos unit, Guerreiros de Alagoas, represents all the strength and resilience that the team needs to have to face the challenges imposed. Represented by the shield and the sword, it symbolizes virtue, bravery, power, endurance and strength. The colored ribbons on the pommel of the sword represent beliefs, denoting hope.

**The motto of the unit is: Warriors of Alagoas, insist, persist and never give up**

# Performance

**We ended the year with a 2.7% lower volume of cement shipped compared to the previous year and in line with the sector's performance.**

We remain firm in our permanent search for more efficiency in processes and equipment and, for this, we invest in human and material resources. Among the indicators that reveal progress and/or excellent performance in our operational areas in 2022, the fact that 72% of our cement mills operate with results above world references stands out. We also had five factories with furnaces operating in class A or B, on the same reliability indicator. The achievement is the result of the implementation of the Performance Program actions and integrated and planned action among all areas of the company.

In addition to these highlights, we recorded several expressive results in each unit as a result of specific projects to overcome results, as mentioned below:



**Apiaí (SP)** – In 2022, the unit carried out the Desbravadores Forte Ficar project and maintained environmental issues as its main highlights, record monthly cement production and the start of Spectra Flow operation at Flour Mill 1, a technology that allows the analysis of our raw materials with real-time results tracking.



**Bodoquena (MS)** – In 2022, the unit reached Class A in 70% of the equipment in operation, meeting the challenges proposed in the Execution 22 project. Another highlight of the year was not registering an accident with loss of time at, reinforcing the commitment to “Putting life first”, in addition to an improvement in the organizational climate.





**Cajati (SP)** – The unit’s project in 2022 was Sustainable Growth, which contributed to the achievement of significant results, such as exceeding Ebitda since 2015, lower total electricity consumption since 2015 and higher furnace productivity since 2015.



**Campo Formoso (BA)** – In 2022, the unit’s project was Knowledge 4.0, whose purpose is to achieve superior results. As a highlight, the plant had records in the annual volume of clinker and cement production and Crushing Reliability Factor in Class A. The record of consecutive days of operation of furnace 1 was broken, and surpassed the historical record of the Reliability Factor of Furnace 1 and % Thermal Replacement Furnace 2.



**Candiotá (RS)** – Leveraging 4.0 was the unit’s project in 2022, built with a focus on resuming performance. Of particular note was the improvement in the result of thermal replacement, compared to 2021, the significant reduction in the emission of particulate matter, the training of people to carry out safety routines and the record of daily shipments of cement.



**Cezarina (GO)** – The unit’s 2022 project was Cezarina AAA, focused on the unit’s performance, in pursuit of excellence (Class A) in all topics worked on. The unit managed to reach important milestones, such as the 4th best monthly result of thermal replacement of furnace 2, best result of thermal replacement of furnace 1 in the last 14 months, lowest record of permanence time for sales above 100k in the month, and second highest value daily dispatch.



**Ijaci (MG)** – The unit’s 2022 project, Jornada 4.0, achieved significant results, such as a record annual thermal replacement, Class A and B in five pieces of equipment (crusher, kiln, cement mill 1 and 2 and bagging machine 2).



**Nova Santa Rita (RS)** – In 2022, the unit carried out the Superações 4.0 Mais Aguerridos project, recording expressive records such as monthly shipments and monthly Ebitda (previous record of 2015).



**Santana do Paraíso (MG)** – The 2022 project at the Gavião Forte Constrói Fábrica Forte unit focused on reducing clinker consumption and recorded good results. In addition, the cement mill’s Reliability Factor was reclassified to Class A. The unit ended its 14th year without lost-time accidents, our historic record.



**São Miguel dos Campos (AL)** – In 2022, the unit carried out the SMC+ Sustainable project and, even with the adversities caused by the flooding of the limestone mine due to heavy rains in the region, paralyzing clinker production from July to December 2022, it achieved important results such as the kiln Reliability Factor in Class A, cement mills 2 and 3 in Class A and best placed in the national ranking. There was also an important advance in the climate of the unit and reduction in the emission of particulate matter and water consumption.

In our entire production process, we use more than 12 million tons of materials – of which the most representative is limestone. Of the materials adopted, 99.7% are from non-renewable sources. Due to the lower production of cement during the year 2022, there was a decrease in the consumption of materials.

**INDICATOR**

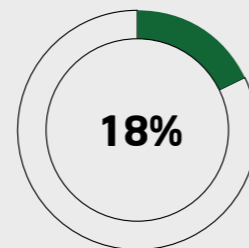
	Unit	2020	2021	2022
Thermal replacement with alternative fossil fuels	%	15.4%	14.1%	15.3%
Thermal replacement by biomass	%	11.1%	10.8%	12.5%
Replacement with alternative raw materials	%	19.8%	15.2%	17.5%
Clinker/cement factor	%	71.7%	72.1%	72.9%

**CO-PROCESSING**

Alternative fuel use (% energy by fuel type)	Unit	2020	2021	2022
Tires	%	48%	38%	34%
Biomass	%	22%	29%	28%
Blends (CDR's, plastics and others)	%	21%	21%	8%
Moinha de carvão vegetal	%	7%	12%	8%



**Of the materials used in operations in 2022, 18% came from recycling. Even with a lower consumption of steel slag in the year, the increase in the waste reuse rate is due to the increased use of waste from the production of gravel from concreting in cement mills.**



ljaci/MG



Our effort to minimize impacts includes, for example, integrating an ecosystem that seeks sustainable alternatives for the sector. In this sense, we reaffirm our commitment to the National Solid Waste Policy (PNRS) based on a partnership that provides for the financial environmental compensation of 40% of all our post-consumption cement bags. The amount is reversed to actions and partners that promote reverse logistics, remunerating the environmental service of cooperatives and sorting operators with an additional value. In 2022, we recovered 40% of the bags sold.

In order to advance in our operational indicators, we also seek to ensure that good practices are shared between the units. We hold monthly forums, made up of representatives from each of them, on topics such as operational excellence, safety, sustainability, environment, processes, production and refractories. This way of working adds value directly and indirectly, valuing and training the local workforce of each plant, in addition to respecting local needs and characteristics, as well as the analyzes and considerations of people, they know the routines and virtues of the factories.

Also important for our outstanding performance was the execution of the Industrial Performance Program, a differentiated methodology to manage the strategy of continuous improvement in operations. Within the scope of the initiative, we annually gather a multidisciplinary team of technicians and specialists linked to the areas of processes, mining, maintenance and the factory team to identify strengths and weaknesses of processes and resources, which also references investments.

Thus, we consolidated an action plan, with a view to the following three years and the advancement of performance in all units, reassessed and updated each period. This differential is associated with organizational agility. More horizontal, we facilitate decision-making to respond to different scenarios. Thus, we are able to adapt quickly and assertively to take advantage of opportunities when the market heats up or adopt necessary measures in times of demand retraction or significant cost increases.

# Enhancements

**In 2022, we continued the Fábrica Forte 4.0 Sustainable Program, started three years ago to contribute to advances in the ESG agenda and industrial performance.**

Its scope covers the adoption of technologies, with connectivity and data infrastructure and the development of skills among professionals to act proactively and safely. Thus, we intend to achieve greater standardization of the operation and full alignment with the industrial strategy, attributing autonomy and decision-making power to the units and continuously optimizing results. Fábrica Forte 4.0 Sustainable is supported by five pillars: Technical Knowledge, High Performance Culture, Profitable Factories, Sustainable Emissions and Culture of Organization and Cleanliness.

Among the improvements in the pillar of the culture of technical knowledge and high performance, the implementation of the Industry 4.0 roadmap at the plants in Ijaci (MG), Campo Formoso (BA), Nova Santa Rita (RS), Cajati (SP), and Santana do Paraíso (MG). The factory of the future is built through people – which is why the teams were trained at this stage, focusing on the application and dissemination of the methodology.

In 2022, we extended and consolidated actions of the project started in the previous period. The implementation of instruments to improve performance is evident. We take to the units, for example, the BrainCube, a set of platforms that support the visualization and implementation of the Internet of Things (IoT) and cloud computing. The solution integrates business applications specially designed for the industry, which made it possible for us to set up an Industrial Monitoring Center (CIM) for all processes, online, monitoring the main variables in real time.

We also started to use the Specialist System in more units, a resource adopted in our milling operations. Already present in 80% of the equipment, it is an automatic pilot that evaluates a series of variables in our process in real time. The solution takes into account the best operating practices for decision making with a view to achieving maximum equipment utilization capacity, providing standardization of operations and process stability, with gains in productivity and quality. Our grinding devices operate more than 90% of the time controlled by this technology.



**Within the scope of Fábrica Forte 4.0 Sustainable, the year's highlight was the implementation of the Industry 4.0 roadmap carried out at the Ijaci (MG), Campo Formoso (BA), Nova Santa Rita (RS) and Santana do Paraíso (MG) units.**

We developed a system to monitor, in real time, the execution of the units' management routines, summarizing the main information of the Daily Routine Management (GRD) in simplified and easily accessible reports.

We also incorporate maintenance solutions, including a predictive system that makes it possible to carry out measurements and send data to the cloud, in addition to viewing all equipment in alarm. In Ijaci, we started an online maintenance pilot project. Thus, our employees began to use electronic devices to access service orders and enter all data related to the tasks performed. The novelty will be extended to two other factories in 2023.

Also in the year, we adopted a fuel supply control system at the Campo Formoso and Ijaci plants, with important results in terms of reducing diesel fuel consumption, resulting in cost savings and efficiency gains.

In 2022, we also started the process of electronically detonating blasting blasts in our limestone mines, ensuring a safer and more efficient process.

*São Miguel dos Campos/AL*



# Training

**We strengthened our Technical Knowledge pillar, with several internal training courses led by the Process, Maintenance and Quality teams, which totaled more than 31,000 hours of training in the year.**

In addition, we started to incorporate into our contracts with equipment suppliers a clause that provides for the obligation to provide training on all new items that we acquire and there is always replacement/renewal of old ones. In Cajati, we built an automated/computerized room where it is possible to simulate industrial operations in a laboratory environment. In it, we started to carry out industrial automation training that brings together people from several units.

Another training course during the year was related to the personality enneagram, given by the People team, aimed at our leadership. The idea was to help our employees, with high skills in command and control, also improve their conditions to understand and absorb our new way of working, which seeks to involve people and give space and autonomy to expand creativity and participation.

The Fábrica do Saber tool, an online content platform for professional and personal development, is also an important advance that has been contributing to the development of all our professionals.



# Quality

**We also adopt efficient processes to manage the quality of our products.**

In Ijaci, we maintain a RoboLab, state-of-the-art technology to perform automated analysis of cement. Our Central Laboratory, in Nova Santa Rita, is also a reference in the sector, equipped with modern equipment and whose attributions include monitoring of analyses, product development and performance of counterproof of quality tests carried out in the factories. This interlaboratory process ensures that the analyses of all products are correct and the analysis equipment in the factories is accurate.

In 2022, the central laboratory participated in an interlaboratory process carried out by the Portland Cement Industry Argentina (ICPA) integrated by more than 34 laboratories in Latin America and obtained the best classification, evidencing the technical competence and reliability of all our analyses.

The industrial units have their own laboratory, which is highly qualified and equipped with equipment that follows a roadmap to constantly seek to maintain high quality level. These laboratories also undergo an annual interlaboratory test to certify the strengths and opportunities for improvement in the various activities carried out.

In 2022, we did not register significant complaints regarding the quality of our products, evidence of all actions and processes to guarantee our level of customer satisfaction. Quality control contributes to this result, but also the differentiated performance of the commercial team, especially that dedicated to serving customers in the technical sales segment, whose demands tend to be more demanding in terms of product specifications. In many cases, employees in the area accumulate experience in the cement industry and have technical knowledge about the goods and production processes, which gives them the conditions to guide and answer buyers' questions.

# 8.

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## OUR ECONOMIC PERFORMANCE

Results exceeded our expectations for the year



**In the international context, the conflict between Russia and Ukraine had greater impact on production costs. Locally, the increase in interest rates to contain inflation and the increase in household debt also negatively impacted demand.**

Consequently, there was a reduction in the number of real estate launches linked to the Casa Verde Amarela program, of popular housing by the federal government. The above-average volume of rainfall was another factor that interfered with the construction schedules in different regions, with damage to the commercialization of cement.

As a result of these various factors and in an atypical year, due to the elections and the World Cup, the market shrank by 2.8%, with an apparent cement consumption of 63.1 million tons in the period – that is, 1.8 million below 2021, according to the National Union of the Cement Industry (SNIC). Following the market trend, we ended 2022 with a small drop of 2.7% in the volume of cement sold, compared to the previous year. On the other hand, we recorded an 18% growth in net revenue compared to 2021, totaling R\$ 3,728 million.

Despite the slower pace of revenue growth, the result achieved exceeds our estimates made throughout the year, which is due to the combination of successful strategic moves that were already underway and our agility and flexibility to seek solutions in challenging scenarios. The strong effort to spread the client portfolio and, at the same time, expand the share of the most profitable segment, technical sales, was positive, as was the agility with which we make use of our capillarity. These factors allowed us to reposition ourselves to take advantage of opportunities in specific regional contexts, in addition to optimizing logistics, prioritizing more relevant routes, and focusing on more profitable customers. Added to this set of measures is the fact that we were able to capture more price adjustments: we establish increases in line with those of the competition.

Our total operating costs, pressured mainly by the behavior of the international price of petroleum petcoke – directly impacted by the Russia and Ukraine conflict, grew by 28% compared to 2021. At the national level, the rise in the price of diesel oil had a negative impact on our expenses with transporting raw materials to the units and our products to customers.

In the accumulated of 2021 and 2022, fuel was increased by 92%. We have been working to replace this energy source with alternatives that are not only economically, but ecologically advantageous, which should add benefits in the coming periods.

On the financial side, the increase in interest rates and higher debt had an unfavorable impact on the financial result, which was R\$ 435 million in 2022, 246% lower than in 2021. As a result of operations, we reached adjusted Ebitda of R\$880 million, 5% below 2021, and recorded net income of R\$65 million, 95% below in the same comparison.

Our Operating Cash Flow was R\$883 million, 46% higher than the previous year. The reduction in results in 2022 was offset by better working capital performance and the monetization of non-strategic assets, allowing for an increase in cash flow. In relation to net debt, it ended the period 10% below the previous one, totaling R\$ 1,915 million, a reflection of the greater generation of operating cash.

Campo Formoso/BA



**CONSOLIDATED FINANCIAL STATEMENTS 2022 (R\$ MILLION)**

	2020	2021	2022
<b>Summary statement of income</b>			
Net revenue	2,403	3,153	3,728
Cost of sales and services	(2,104)	(2,368)	(3,040)
Gross result	299	784	689
Administrative and commercial expenses	(218)	(269)	(300)
Other operating income and (expenses)	105	138	89
Operating result (Ebit)	186	653	478
Financial result	(198)	(126)	(435)
Exchange rate variation	(23)	(5)	(12)
Financial income	45	139	120
Financial expenses	(220)	(260)	(543)
Earnings before taxes (Earnings)	12	528	43
Taxes	(12)	787	21
Net income	24	1,314	65
<b>Summarized operating cash flow</b>			
Ebitda	566	1,016	849
Adjusted Ebitda	686	928	880
Working capital	199	22	359
Investments	(200)	(250)	(302)
Payment of taxes	6	(50)	(8)
Operating cash flow	555	605	883
Interest expenses	(120)	(154)	(422)
Free cash flow	434	(542)	363

	2020	2021	2022
<b>Summary balance sheet</b>			
Cash and cash equivalents	425	460	597
Permanent assets	2,010	1,995	1,998
Total current assets	1,001	1,237	1,435
Total assets	3,890	4,817	5,060
Short-term debt and other financial obligations	14	23	525
Long-term debt and other financial obligations	1,741	2,710	2,273
<b>Net debt</b>	1,305	2,128	1,915
Total current liabilities	888	941	1,671
Total liabilities	3,193	3,935	4,273
Equity	697	882	787
<b>Financial indicators</b>			
Gross margin	12%	25%	18%
Ebitda margin	24%	32%	23%
Adjusted Ebitda margin	29%	29%	24%
Net margin	1%	42%	2%
Leverage (net debt/Ebitda)	1.9	2.3	2.2
Current liquidity (AC/PC)	1.1	1.3	0.9
Interest coverage ratio (Ebit/interest)	1.5	4.2	1.1

# Economic value generated and distributed

GRI 201-1

In 2022, we distributed more than R\$4.6 million, with 78% going to operating costs, 8% to salaries and benefits, 12% to tax payments and 2% to shareholder payments.

## DIRECT ECONOMIC VALUE GENERATED (R\$ IN MILLIONS)

	2020	2021	2022
<b>Generated</b>			
Revenues (R\$)	3,315.23	4,429.31	5,156.23
<b>Economic value distributed</b>			
Operational costs	2,630.69	2,833.05	3,602.18
Employee wages and benefits	263.32	303.84	366.54
Payments to capital providers	74.63	90.16	103.41
Payments to government	440.85	298.60	537.84
Community investments	4.54	4.78	2.66
Total	3,414.03	2,933.21	4,612.65
<b>Retained economic value</b>			
"direct economic value generated" minus "economic value distributed"	98.79	1,496.09	543.58



São Miguel dos Campos/AL



9.

ANNEXES

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GCCA indicators  
SASB Indicators  
GRI content index

# GCCA indicators

## PILLAR 1. HEALTH AND SAFETY

Indicator	Unit	2020	2021	2022
1. Fatality rate, direct employees - reported as a rate per 10,000 direct employees	Rate	0	0	0
2. Number of fatalities (direct employees, subcontractors and third parties)	Number	3*	3*	4*
3. Attendance rate, direct employees - number of accidents with lost-time per 1,000,000 hours worked	Rate	1.74	0.9	1.72
4. Frequency rate, contractors and subcontractors (within the company) - number of accidents with lost time per 1,000,000 hours worked	Rate	1.88	0.93	1.29
5. Severity rate, direct employees. Number of lost days caused by lost-time accidents per 1,000,000 hours worked	Rate	122	41	33

\*The fatality figures reported in item 3 refer to the third party (third-party services provided outside the manufacturing units).

## PILLAR 2. CLIMATE CHANGES AND ENERGY

Indicator	Unit	2020	2021	2022
1. Total CO <sub>2</sub> emission - gross	millions of tons	5.16	5.49	5.31
2. Total CO <sub>2</sub> emission - net	millions of tons	4.87	5.21	5.01
3. Specific CO <sub>2</sub> emission - gross	kg/t of cementitious material	612	630	630
4. Specific CO <sub>2</sub> emission - net	kg/t of cementitious material	578	599	593

## PILLAR 3. SOCIAL RESPONSIBILITY

There are no specific sectoral KPIs related to the theme according to the GCCA standard. The topic is addressed in the 2022 Integrated Report in section - 6. We deliver Good to Each One.

## PILLAR 4. ENVIRONMENT AND NATURE

### Air quality

Indicator	Unit	2020	2021	2022
1. Full coverage rate: Percentage of clinker produced with monitoring of all pollutants mentioned in the guideline	%	78%	70%	85%
2. Continuous monitoring coverage rate: Percentage of clinker produced with continuous monitoring of the main pollutants MP, NOx and SO <sub>2</sub>	%	100%	100%	99%
3. Particulate matter - absolute emissions	t/year	891	795	552
3. NOx - absolute emissions	t/year	11,443	14,258	14,466
3. SO <sub>2</sub> - absolute emissions	t/year	2,212	3,571	3,160
3. VOC/THC - absolute emissions	t/year	Not reported	96	108
3. Hg - absolute emissions	kg/year	74	1,232	1,365
3. HM1 - Sum of Cd and TL - absolute emissions	kg/year	41	127	454
3. HM2 - Sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V - absolute emissions	kg/year	17,880	8,045	12,766
3. PCDD/F - absolute emissions	mg/ano	0,268	0,259	0,557
3. Particulate matter - specific emissions	g/t of clinker	149	125	89
3. NOx - specific emissions	g/t of clinker	1,907	2,246	2,343
3. SO <sub>2</sub> - specific emissions	g/t of clinker	369	563	512
3. VOC/THC - specific emissions	g/t of clinker	-	15	18
3. Hg - specific emissions	mg/t of clinker	12	277	221
3. HM1 - Sum of Cd and TI - specific emissions	mg/t of clinker	7	29	74
3. HM2 - Sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V - specific emissions	mg/t of clinker	2,980	1,811	2,068
3. PCDD/F - specific emissions	mg/t of clinker	0.0450	0.0580	0.0902
4. MP - Coverage rate	%	100%	100%	100%
4. NOx - Coverage rate	%	100%	100%	100%
4. SO <sub>2</sub> - Coverage rate	%	100%	100%	99%
4. VOC/THC - Coverage rate	%	100%	98%	99%
4. Hg - Coverage rate	%	62%	70%	85%
4. HM1 - Sum of Cd and TI - Coverage rate	%	76%	70%	85%
4. HM2 - Sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V - Coverage rate	%	67%	70%	85%
4. PCDD/F - Coverage rate	%	38%	70%	85%



**BIODIVERSITY<sup>1</sup>**

Indicator	Unit	2020	2021	2022
1. Percentage of mines in areas of high biodiversity value with implemented biodiversity management plans	%	Not reported	0%	100%
2. Percentage of mines with implemented rehabilitation plan	%	Not reported	50%	100%

1. The understanding carried out in 2021, which considered as areas of high value for biodiversity only those located in conservation areas, was corrected. Also, in 2021, the only area that met this requirement was disinvested during 2022. For 2022, areas of extremely high biological importance were considered to be of high value for biodiversity, according to Ordinance No. 463, of December 18, 2018 (IBAMA).

**WATER**

Indicator	Unit	2020	2021	2022
1. Total water abstracted - total water discharged = water consumption	m <sup>3</sup> /year	1,653,000	1,963,800	1,707,993
2. Amount of water consumed per unit of product	l/t of cementitious products	201	254	202

**PILLAR 5. CIRCULAR ECONOMY**

Indicator	Unit	2020	2021	2022
1. Thermal replacement with alternative fossil fuels	%	15.40%	14.10%	15.32%
2. Thermal replacement by biomass	%	11.10%	10.80%	12.59%
3. Replacement with alternative raw materials	%	19.80%	15.20%	17.55%
4. Clinker/cement factor	%	70.80%	71.10%	72.90%

# SASB Indicators

**EM-CM - CONSTRUCTION MATERIALS**

Accounting Metrics	Category	Measurement unit	SASB code	2020	2021	2022
<b>Subject: Greenhouse gas emissions</b>						
Scope 1 gross emissions, percentage of emissions covered by regulatory limits	Count	Tons	EM-CM-110a.1	5.162.323	5.494.122	5.313.576
		(t) CO <sub>2</sub> -e,				
		Percentage (%)		0%	0%	0%
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emission reduction targets and a review of performance against these targets	Discussion and Analysis	n/a	EM-CM-110a.2	InterCement is defining its GHG Emissions targets. This process is part of the company's ESG Journey.		
<b>Subject: Air quality</b>						
<b>Atmospheric emissions of the following pollutants:</b>						
(1) NO <sub>x</sub> (excluding N <sub>2</sub> O)	Count	Tons (t)	EM-CM-120a.1	11,443	14,258	14,466
(2) SO <sub>x</sub>				2,212	3,571	3,160
(3) Particulate Matter				891	795	552
(4) Dioxins/furans				Not reported	0	0
(5) Volatile Organic Compounds (VOCs)				Not reported	96	108
(6) polycyclic aromatic hydrocarbons (PAHs)				Not reported	Not reported	Not reported
(7) Heavy metals				Not reported	9	13
<b>Subject: Energy management</b>						
(1) Total energy consumed	Count	Giga joules (GJ)	EM-CM-130a.1	25.408.259	27.552.758	26.997.509
(2) Percentage of electricity from the electrical network		Percentage (%)		13%	13%	13%
(3) Percentage of alternative energy		Percentage (%)		22%	21%	24%
(4) Percentage of renewable (biomass)		Percentage (%)		10%	9%	11%



Accounting metric	Category	Measurement unit	SASB Code	2020	2021	2022
<b>Subject: Water management</b>						
(1) Collected water	Count	One thousand cubic meters (m³)	EM-CM-140a.1	698	1,525	1,315
(2) Percentage of recycled water		Percentage (%)		Not reported	Not reported	Not reported
(3) Percentage in water stress regions		Percentage (%)		0%	0%	0%
<b>Subject: Waste management</b>						
(1) Amount of waste generated	Count	Tons (t)	EM-CM-150a.1	Not reported	9,274	7,188
(2) percentage of hazardous		Percentage (%)		Not informed	18%	12%
(3) percentage of recycled		Percentage (%)		Not informed	82%	88%
<b>Subject: Impacts on biodiversity<sup>1</sup></b>						
(1) Description of the environmental management policies and practices of the units in operation	Discussion and Analysis	n/a	EM-CM-160a.1	Not reported	Integrated Report 2021 and Indicators Notebook	Integrated Report 2022 and Indicators Notebook
(2) Impacted area	Count	Hectares (ha)	EM-CM-160a.2	Not reported	Not reported	Not reported
(3) percentage of impacted area restored		Percentage (%)		Not reported	Not reported	Not reported
<b>Subject: Worker health and safety</b>						
Reportable incident rate (TRIR)	Count	Rate	EM-CM-320a.1	Not reported	0.2	0.3
Near Miss Frequency Rate (NMFR) for (a) full-time employees				Not reported	1	2.0
Reportable incident rate (TRIR)				Not reported	0.2	0.3
Near Miss Frequency Rate (NMFR) for contract employees				Not reported	0.8	1.2
Number of reported cases of silicosis		Number	EM-CM-320a.2	Not reported	0	0,0

1. We meet the guidelines established by responsible bodies and more information is available at GRI 304 and GCCA.

Accounting metric	Category	Measurement unit	SASB Code	2020	2021	2022
<b>Subject: Product innovation<sup>1</sup></b>						
Percentage of products that qualify for sustainable building credits and certifications	Count	Percentage (%) of annual revenue	EM-CM-410a.1	Not reported	Not reported	Not reported
% of products that address the following issues: reduction of energy, water, and/or material impacts during use and/or production.		Reporting Currency Percentage (%)	EM-CM-410a.2	Not reported	Not reported	Not reported
<b>Subject: Integrity and transparency</b>						
Total monetary losses as a result of legal proceedings associated with cartel activities, price fixing and antitrust activities	Count	Reporting Currency	EM-CM-520a.1	Not reported	R\$ 0	R\$ 0
<b>Activity metrics</b>						
Production of the largest production line - total cement products	Count	Tons (t)	EM-CM-000.A	Not reported	Not reported	8,436,282

1. Considering that there is no standardized metric to define sustainable development, despite the cement and concrete that we produce being in line with eco-efficiency practices, we prefer not to report this indicator.  
 2. We have defined that all innovation applied to the cement product will follow NBR standards 16697:2018 - Portland cement specifications, which restricts the answer to zero. However, we have innovative practices applied to productive processes that haven't been considered in this indicator.



# GRI content index

**Statement of use** The Intercement Brasil has reported in accordance with the GRI Standards for the period 01/01/2022 to 31/12/2022.  
**GRI 1 used** GRI 1: Foundation 2021

Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
<b>GENERAL DISCLOSURES</b>						
GRI 2: General Disclosures 2021	<b>2-1</b>	Organizational details	10	4		
	<b>2-2</b>	Entities included in the organization's sustainability reporting		4		
	<b>2-3</b>	Reporting period, frequency and contact point	18	4		
	<b>2-4</b>	Restatements of information	18	4		
	<b>2-5</b>	External assurance	18	4		
	<b>2-6</b>	Activities, value chain and other business relationships		5		
	<b>2-7</b>	Employees	59	5,6		8.5, 10.3
	<b>2-8</b>	Workers who are not employees	58	6		8.5, 10.3
	<b>2-9</b>	Governance structure and composition	41 to 45	7		5.5, 16.7
	<b>2-10</b>	Nomination and selection of the highest governance body	41, 42			5.5, 16.7
	<b>2-11</b>	Chair of the highest governance body	41	7		16.6
	<b>2-12</b>	Role of the highest governance body in overseeing the management of impacts	41 to 45			16.7
	<b>2-13</b>	Delegation of responsibility for managing impacts	41 to 45			
	<b>2-14</b>	Role of the highest governance body in sustainability reporting		7		
	<b>2-15</b>	Conflicts of interest	46 to 48			16.6
	<b>2-16</b>	Communication of critical concerns	42			
	<b>2-17</b>	Collective knowledge of the highest governance body	41 to 45			

Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
GRI 2: General Disclosures 2021	<b>2-18</b>	Collective knowledge of the highest governance body	41 to 45			
	<b>2-19</b>	Remuneration policies		7, 8		
	<b>2-20</b>	Process to determine remuneration		8	The results of stakeholder votes (including shareholders) on compensation policies and proposals are not disclosed as they are considered confidential.	16.7
	<b>2-21</b>	Annual total compensation ratio			The content is not answered as it is considered confidential.	
	<b>2-22</b>	Statement on sustainable development strategy	2 to 5			
	<b>2-23</b>	Policy commitments	46 to 48			16.3
	<b>2-24</b>	Embedding policy commitments	46 to 48			16.3
	<b>2-25</b>	Processes to remediate negative impacts		8, 9		
	<b>2-26</b>	Mechanisms for seeking advice and raising concerns	46 to 48			16.3
	<b>2-27</b>	Compliance with laws and regulations		9		16.3
	<b>2-28</b>	Membership associations		10		
	<b>2-29</b>	Approach to stakeholder engagement	37 to 39			
	<b>2-30</b>	Collective bargaining agreements		10		8.8

## MATERIAL TOPICS

GRI 3: Material Topics 2021	<b>3-1</b>	Process to determine material topics	20, 21			
	<b>3-2</b>	List of material topics	21			
<b>Material topic: Energy, emissions and climate change</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	55, 102 to 115			7, 13
GRI 201: Economic Performance 2016	<b>201-2</b>	Financial implications and other risks and opportunities due to climate change	55			13.1
GRI 302: Energy 2016	<b>302-1</b>	Energy consumption within the organization	109, 110	18, 19		7.2, 7.3, 8.4, 12.2, 13.1



Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
GRI 302: Energy 2016	<b>302-2</b>	Energy consumption outside of the organization			In line with the CO2 and Energy Accounting and Reporting Standard for Cement Industry - V03 protocol, according to which the reporting of Scope 3 emissions is optional, we do not quantify the energy consumption outside of the company.	7.2, 7.3, 8.4, 12.2, 13.1
	<b>302-3</b>	Energy intensity	110	19, 20		
	<b>302-4</b>	Reduction of energy consumption		20		7.3, 8.4, 12.2, 13.1
GRI 305: Emissions 2016	<b>305-1</b>	Direct (Scope 1) GHG emissions	105			3.9, 12.4, 13.1, 14.3, 15.2
	<b>305-2</b>	Energy indirect (Scope 2) GHG emissions	105			3.9, 12.4, 13.1, 14.3, 15.2
	<b>305-3</b>	Other indirect (Scope 3) GHG emissions		23		3.9, 12.4, 13.1, 14.3, 15.2
	<b>305-4</b>	GHG emissions intensity	106			13.1, 14.3, 15.2
	<b>305-5</b>	Reduction of GHG emissions	106			13.1, 14.3, 15.2
<b>Material topic: Use of materials, waste and circular economy</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	114, 115, 126 to 129			11, 12
GRI 301: Materials 2016	<b>301-1</b>	Materials used by weight or volume		16, 17		8.4, 12.2
	<b>301-2</b>	Recycled input materials used		17		8.4, 12.2, 12.5
	<b>301-3</b>	Reclaimed products and their packaging materials		18		8.4, 12.2, 12.5

Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
GRI 306: Waste 2020	<b>306-1</b>	Waste generation and significant waste-related impacts	114, 115			3.9, 6.3, 11.6, 12.4, 12.5
	<b>306-2</b>	Management of significant waste-related impacts	114, 115			3.9, 6.3, 8.4, 11.6, 12.4, 12.5
	<b>306-3</b>	Waste generated	114, 115	25		3.9, 11.6, 12.4, 12.5
	<b>306-4</b>	Waste diverted from disposal	114, 115	25		3.9, 11.6, 12.4, 12.5
	<b>306-5</b>	Waste directed to disposal	114, 115	26		3.9, 11.6, 12.4, 12.5
<b>Material topic: Environment and nature (air quality, water, biodiversity and waste)</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	111 to 115			6, 12, 15
GRI 303: Water and Effluents 2018	<b>303-1</b>	Interactions with water as a shared resource	111			6.3, 6.4, 6.A, 6.B, 12.4
	<b>303-2</b>	Management of water discharge-related impacts	111			6.3
	<b>303-3</b>	Water withdrawal	112	20		6.4
	<b>303-4</b>	Water discharge		20, 21		6.3
	<b>303-5</b>	Water consumption		21		6.4
GRI 304: Biodiversity 2016	<b>304-1</b>	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	112, 113			6.6, 14.2, 15.1, 15.5
	<b>304-2</b>	Significant impacts of activities, products and services on biodiversity	112 a 114			6.6, 14.2, 15.1, 15.5
	<b>304-3</b>	Habitats protected or restored	112, 113			6.6, 14.2, 15.1
	<b>304-4</b>	IUCN Red List species and national conservation list species with habitats in areas affected by operations	114			6.6, 14.2, 15.1, 15.5



Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
GRI 305: Emissions 2016	<b>305-7</b>	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		23		3.9, 12.4, 13.1, 14.3, 15.2
<b>Material topic: Wellness, health and safety</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	58 to 77			3, 8
GRI 401: Employment 2016	<b>401-1</b>	New employee hires and employee turnover		26 to 28		5.1, 8.5, 8.6, 10.3
	<b>401-2</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees	60			3.2, 5.4, 8.5
	<b>401-3</b>	Parental leave	62	28		5.1, 5.4, 8.5
GRI 402: Labor/ Management Relations 2016	<b>402-1</b>	Minimum notice periods regarding operational changes		29		8.8
GRI 403: Occupational Health and Safety 2018	<b>403-1</b>	Occupational health and safety management system	70 to 77			8.8
	<b>403-2</b>	Hazard identification, risk assessment, and incident investigation	70 to 77			8.8
	<b>403-3</b>	Occupational health services	70 to 77			8.8
	<b>403-4</b>	Worker participation, consultation, and communication on occupational health and safety	70 a 77			8.8, 16.7
	<b>403-5</b>	Worker training on occupational health and safety	70 to 77			8.8
	<b>403-6</b>	Promotion of worker health	70 to 77			3.3, 3.5, 3.7, 3.8
	<b>403-7</b>	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	70 to 77			8.8
	<b>403-8</b>	Workers covered by an occupational health and safety management system		30		8.8
	<b>403-9</b>	Work-related injuries	76, 77		30	3.6, 3.9, 8.8, 16.1
	<b>403-10</b>	Work-related ill health			31	3.3, 3.4, 3.9, 8.8, 16.1

Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
<b>Material topic: Human development and diversity</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	58 to 77			4, 5, 8, 10
GRI 404: Training and Education 2016	<b>404-1</b>	Average hours of training per year per employee	66 to 69	31		4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3
	<b>404-2</b>	Programs for upgrading employee skills and transition assistance programs	66 to 68	32		8.2, 8.5
	<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	67			5.1, 8.5, 10.3
GRI 405: Diversity and Equal Opportunity 2016	<b>405-1</b>	Diversity of governance bodies and employees	63 to 66	33, 34		5.1, 5.5, 8.5
	<b>405-2</b>	Ratio of basic salary and remuneration of women to men	62	34		5.1, 8.5, 10.3
GRI 406: Non- discrimination 201	<b>406-1</b>	Incidents of discrimination and corrective actions taken			Content is not answered due to security and confidentiality reasons.	5.1, 8.8
<b>Material topic: Local development and impacts on the surroundings</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	78 to 85, 95 to 101			11, 12, 15, 16
GRI 202: Market Presence 2016	<b>202-1</b>	Ratios of standard entry level wage by gender compared to local minimum wage	62	13		1.2, 5.1, 8.5
	<b>202-2</b>	Proportion of senior management hired from the local community		13		8.5
GRI 203: Indirect Economic Impacts 2016	<b>203-1</b>	Infrastructure investments and services supported	95 to 101			5.4, 9.1, 9.4, 11.2
	<b>203-2</b>	Significant indirect economic impacts	95 to 101			1.2, 1.4, 3.8, 8.2, 8.3, 8.5
GRI 204: Procurement Practices 2016	<b>204-1</b>	GRI 204: Procurement Practices 2016		14		8.3
GRI 411: Rights of Indigenous Peoples 2016	<b>411-1</b>	Incidents of violations involving rights of indigenous peoples		36		2.3



Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
GRI 413: Local Communities 2016	<b>413-1</b>	Operations with local community engagement, impact assessments, and development programs	95			
	<b>413-2</b>	Operations with significant actual and potential negative impacts on local communities	95 to 101			1.4, 2.3
<b>Material topic: Value Network Management</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	78 to 87			12, 17
GRI 308: Supplier environmental assessment 2016	<b>308-1</b>	New suppliers that were screened using environmental criteria	78, 79			
	<b>308-2</b>	Negative environmental impacts in the supply chain and actions taken	78 to 87			
GRI 407: Freedom of association and collective bargaining 2016	<b>407-1</b>	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		35		8.8
GRI 408: Child labor 2016	<b>408-1</b>	Operations and suppliers at significant risk for incidents of child labor		35		5.2, 8.7, 16.2
GRI 409: Forced or compulsory labor 2016	<b>409-1</b>	Operations and suppliers at significant risk for incidents of forced or compulsory labor		35		5.2, 8.7
GRI 410: Security practices 2016	<b>410-1</b>	Security personnel trained in human rights policies or procedures		36		16.1
GRI 414: Supplier social assessment 2016	<b>414-1</b>	New suppliers that were screened using social criteria		37		5.2, 8.8, 16.1
	<b>414-2</b>	Negative social impacts in the supply chain and actions taken		37		5.2, 8.8, 16.1
GRI 416: Customer health and safety 2016	<b>416-1</b>	Assessment of the health and safety impacts of product and service categories		37		
	<b>416-2</b>	Incidents of non-compliance concerning the health and safety impacts of products and services		37		16.3

Gri standard/ other source	Code	Disclosure	Page of this report	Page in the Indicators Notebook	Omission	ODS
<b>Material topic: Ethics, governance and transparency</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	40 to 55			12, 16
GRI 205: Anti-corruption 2016	<b>205-1</b>	Operations assessed for risks related to corruption		14		16.5
	<b>205-2</b>	Communication and training about anti-corruption policies and procedures	50	14 to 16		16.5
	<b>205-3</b>	Confirmed incidents of corruption and actions taken		16		16.5
GRI 206: Anti-Competitive behavior 2016	<b>206-1</b>	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		16		16.3
GRI 415: Public policy 2016	<b>415-1</b>	Political contributions		37		16.5
GRI 418: Customer privacy 2016	<b>418-1</b>	Substantiated complaints concerning breaches of customer privacy and losses of customer data		38		16.1, 16.3
<b>Material topic: Economic performance</b>						
GRI 201: Economic performance 2016	<b>3-3</b>	Management of material topics	132 to 139			16
GRI 201: Economic performance 2016	<b>201-1</b>	Direct economic value generated and distributed	138	12		8.1, 8.2, 9.1, 9.4, 9.5
<b>Material topic: Operational Excellence</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	116 to 131			9, 12
<b>Material topic: Innovation and technological development</b>						
GRI 3: Material Topics 2021	<b>3-3</b>	Management of material topics	88 to 94, 116 to 131			8, 9, 11, 12, 17



# Independent auditor's limited assurance



(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese-language version shall prevail.)

## Independent auditor's limited assurance report on the non-financial information included in the Integrated Report

**Grant Thornton Auditores independentes Ltda.**

Av. Eng. Luiz Carlos Berrini, 105 - 12º andar, Itaim Bibi, São Paulo (SP) Brasil

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To the Directors and Management of **Intercement Brasil S.A.**  
São Paulo – SP

### Introduction

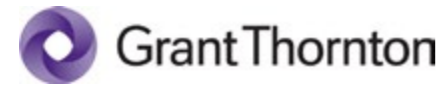
We have been engaged by Intercement Brasil S.A. (the Company) to present our an independent auditor's limited assurance report on the non-financial information included in the "Integrated Report 2022" of Intercement Brasil S.A. for the year ended December 31, 2022.

Our limited assurance does not cover information relating to prior periods or any other information disclosed in conjunction with the Integrated Report, including any embedded images and audio or video files.

### Responsibility of the Company's management

The Company's management is responsible for the following:

- select and set proper criteria for preparing the information included in the Integrated Report;
- prepare the information in accordance with the criteria and guidelines provided by the Global Reporting Initiative ("GRI Standards"), the Sustainability Accounting Standard - Extractives & Minerals Processing Sector - Construction Materials (EM-CM), the Sustainability Accounting Standards Board (SASB) and Guideline CPC 09 - Integrated Reporting, related to Integrated Reporting Framework prepared by the International Integrated Reporting Council (IIRC);
- design, implement and maintain internal control over information considered relevant for preparing the information included in the Integrated Report that is free of material misstatement, whether due to fraud or error.



## Responsibility of the independent auditor

Our responsibility is to express a conclusion of the non-financial information included in the Integrated Report 2022 based on the limited assurance engagement conducted in accordance with Technical Communication CTO 07/2022, issued by the Federal Accounting Council (CFC), and based on NBC TO 3000 – Assurance Engagements Other than Audits or Reviews of Historical Financial Information, also issued by the CFC, equivalent to international standard ISAE 3000 – Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that the auditor comply with ethical and independence requirements and other related responsibilities, including as to the application of the Brazilian Standard on Quality Management (NBC PA 01) and, therefore, the maintenance of a comprehensive quality management system that encompasses documented policies and procedures for compliance with ethical requirements, professional standards and legal and regulatory requirements applicable.

Additionally, those standards require that we plan and perform our engagement to obtain limited assurance that the non-financial information included in the Integrated Report 2022, taken as whole, is free of material misstatements.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) primarily consists of making inquiries of the Company's management and other individuals in the entity involved in the preparation of information, as well as applying analytical procedures to obtain evidence that enables us to express a limited assurance conclusion on the information taken as a whole. A limited assurance engagement also requires that we perform additional procedures in the event matters come to our attention that cause us to believe that the information disclosed in the Integrated Report, taken as a whole, may contain material misstatements.

The procedures selected were based on our understanding of the aspects relating to the compilation, materiality and presentation of the information included in the Integrated Report 2022 and other circumstances of our engagement and our consideration on the areas and processes associated with the material information disclosed in the Integrated Report 2022 which could contain material misstatements. Our procedures comprised, among others, the following:

- a) plan our work, considering the relevance, volume of quantitative and qualitative information and the operating systems and internal controls based on which the information included in the Integrated Report 2022 was prepared;
- b) gain an understanding of the computation method and the procedures performed for compiling the indicators by making inquiries of the managers responsible for preparing the information;
- c) apply analytical procedures on the quantitative information and making inquiries about qualitative information and its correlation with the indicators disclosed in the information included in the Integrated Report 2022;
- d) for those cases where there is a correlation between the non-financial data and indicators having a financial nature, match such indicators to the financial statements and/or accounting records.

The limited assurance engagement also included tests to assess compliance with the guidelines and criteria provided in the framework Global Reporting Initiative (GRI Standards), the Sustainability Accounting Standards Board EM-CM (SASB) and Guideline CPC 09 - Integrated Report (related to Integrated Report Framework prepared IIRC) applicable to the preparation of the information included in the Integrated Report 2022.

We believe that the evidence we have obtained during our work is sufficient and appropriate to provide a basis for our limited assurance conclusion.



## Scope and limitations

The procedures applied in a limited assurance engagement vary in nature and timing and are less in scope than an engagement to obtain reasonable assurance. Consequently, the level of assurance obtained in a limited assurance engagement is substantially less than the level that would be obtained if a reasonable assurance engagement had been performed. Had we performed reasonable assurance engagement, we might have identified other matters and possible misstatements in the information included in the Integrated Report 2022. Therefore, we do not express an opinion on this information.

Non-financial data is subject to more inherent limitations than financial information, due to the nature and variety of the methods used to determine, calculate or estimate such data. Qualitative interpretations of materiality, significance and accuracy of the data are subject to individual assumptions and judgments. Additionally, we neither conduct any work based on prior-period information nor in relation to future projections and goals.

The preparation and presentation of sustainability indicators have followed the GRI Standards criteria and, therefore, their objective is not to assure that social, economic, environmental or engineering regulations and laws were complied with. Such criteria prescribe, however, the presentation and disclosure of any events of noncompliance with such regulations when significant sanctions or penalties are imposed. Our assurance report should be read and interpreted in this context, in light of the criteria selected (GRI Standards).

## Conclusion

Based on the procedures performed, described in this report, and on evidence obtained, nothing has come to our attention that causes us to believe that the non-financial information included in the Company's Integrated Report for the year ended December 31, 2022 has not been prepared, in all material respects, in accordance with the criteria and guidelines in the Global Reporting Initiative (GRI Standards), the Sustainability Accounting Standards Board EM-CM (SASB) and Guideline CPC 09 - Integrated Report, correlated to the Integrated Report Framework prepared by the IIRC.

São Paulo, May 31, 2023

Grant Thornton Auditores Independentes Ltda.  
CRC 2SP-025.583/O-1

Octavio Zampirolo Neto  
Accountant CRC 1SP-289.095/O-3



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### Images

InterCement collection





INDICATOR  
BOOK  
**2022**



**InterCement**  
BRASIL

INDICATOR  
BOOK  
2022



**InterCement**  
BRASIL

**GRI 2: General Disclosures 2021**

The organization and its reporting practices  
Activities and workers  
Governance  
Strategy, policies and practices  
Stakeholder engagement

**GRI 3: Material Topics 2021**

**GRI 201:** Economic Performance 2016

**GRI 202:** Market Presence 2016

**GRI 203:** Indirect Economic Impacts 2016

**GRI 204:** Procurement Practices 2016

**GRI 205:** Anti-corruption 2016

**GRI 206:** Anti-competitive Behavior 2016

**GRI 301:** Materials 2016

**GRI 302:** Energy 2016

**GRI 303:** Water and Effluents 2018

**GRI 304:** Biodiversity 2016

**GRI 305:** Emissions 2016

**GRI 306:** Waste 2020

**GRI 401:** Employment 2016

**GRI 402:** Labor/Management Relations 2016

**GRI 403:** Occupational Health and Safety 2018

**GRI 404:** Training and Education 2016

**GRI 405:** Diversity and Equal Opportunity 2016

**GRI 406:** Non-discrimination 2016

**GRI 407:** Freedom of Association and Collective Bargaining 2016

**GRI 408:** Child Labor 2016

**GRI 409:** Forced or Compulsory Labor 2016

**GRI 410:** Security Practices 2016

**GRI 411:** Rights of Indigenous Peoples 2016

**GRI 413:** Local Communities 2016

**GRI 414:** Supplier Social Assessment 2016

**GRI 415:** Public Policy 2016

**GRI 416:** Customer Health and Safety 2016

**GRI 418:** Customer Privacy 2016

# GRI 2: General Disclosures 2021

## The organization and its reporting practices

### GRI 2-1. Organizational details

InterCement Brasil S.A., a privately-held corporation, registered in category "A" with the Securities Commission (CVM), whose sole shareholder is InterCement Trading e Inversões S.A. (indirectly controlled by InterCement Participações S.A.). We are one of the main national companies in the industrialization and commercialization of building materials, mainly cement and concrete, assuming a fundamental role in the infrastructure and housing essential to societies and their sustainable development. Our administrative headquarters are located in São Paulo (SP), Brazil.

### GRI 2-2. Entities included in the organization's sustainability reporting

The Integrated Report covers our operations and our results. The financial statements are presented in the chapter "Our economic performance", on pages 132 to 139.

The Report includes cement operations: João Pessoa/PB, Cabo de Santo Agostinho (Suape)/PE, São Miguel dos Campos/AL, Campo Formoso/BA, Brumado/BA, Santana do Paraíso/MG, Pedro Leopoldo/MG, Ijaci/MG, Jacarei/SP, Cajati/SP, Apiaí/SP, Nova Santa Rita/RS, Candiota/RS, Bodoquena/MS and Cezarina/GO. Concrete operations and distribution centers are not covered.

### GRI 2-3. Reporting period, frequency and contact point

Relatório publicado anualmente. O documento de 2022 compreende o período de 1º de janeiro a 31 de dezembro de 2022. Dúvidas e sugestões podem ser encaminhadas pelo e-mail [integracao@intercement.com](mailto:integracao@intercement.com).

### GRI 2-4. Restatements of information

There is a reformulation of the GRI 201-1, GRI 303-5 and GRI 305-4 indicators.

### GRI 2-5. External assurance

The publication was ensured by Grant Thornton Brasil – Audit, Consulting and Taxes, in accordance with the rules of the Securities and Exchange Commission (CVM).

## Activities and workers

### GRI 2-6. Activities, value chain and other business relationships

We are one of the largest producers in the national market, with 15 industrial units for the production of cement, three concrete plants, 21 Distribution Centers, 21 mines and participation in three power generators, in addition to concreting services that are concentrated in the State of São Paulo, in the Metropolitan Region of the capital city. Our products are sold throughout the national territory, under the brands Cauê, Goiás and Zebu, in the General Use, Structure and Exact versions, serving customers of all sizes and in different sectors. Details of the supply chain described in the "Supplies" chapter of the 2022 Integrated Report, on pages 78 to 87.

### GRI 2-7. Employees

In 2022, we had 2,009 employees, 81% men and 19% women, of which 62% work in the Southeast Region, 14% in the Northeast and Midwest and 11% in the South Region (there are no employees working in the North Region). All employees have a permanent employment contract.

#### NUMBER OF EMPLOYEES, BY GENDER\*

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of permanent employees	255	1,574	1,829	342	1,667	2,009	1,633	376	2,009
Number of temporary employees	0	0	0	0	0	0	0	0	0
Number of employees with no guaranteed work hours	0	0	0	0	0	0	0	0	0
Number of full-time employees	252	1,460	1,712	333	1,514	1,847	1,482	366	1,848
Number of part-time employees	3	114	117	9	153	162	151	10	161
Total number of employees	255	1,574	1,829	342	1,667	2,009	1,633	376	2,009

\*Full-time employees work 200 hours per month. Part-time employees work less than 200 hours a month.



**NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT AND REGION\***

		Number of permanent employees	Number of temporary employees	Total number of employees
2021	North	0	0	0
	Northeast	276	0	276
	Midwest	277	0	277
	Southeast	1,244	0	1,244
	South	212	0	212
	<b>Total</b>	<b>2,009</b>	<b>0</b>	<b>2,009</b>
2022	North		0	0
	Northeast	265	0	265
	Midwest	277	0	277
	Southeast	1,264	0	1,264
	South	203	0	203
	<b>Total</b>	<b>2,009</b>	<b>0</b>	<b>2,009</b>

\*Data started to be reported in 2021 and was not available for 2020.

**GRI 2-8. Workers who are not employees**

In 2022, we had 1,826 outsourced workers in business support activities, mainly related to logistics, production and administrative support (facilities). The most recurrent positions are: mechanic, general service assistant and welder, assembler, work safety technician, mason and security guard.

**NUMBER OF WORKERS WHO ARE NOT EMPLOYEES AND WHOSE WORK IS CONTROLLED BY THE ORGANIZATION\***

2021	1,931
2022	1,826

\*Workers work full time. Fixed workers hired by us through third-party companies were considered as outsourced. Data started to be reported in 2021 and was not available for 2020.

**Governance**

**GRI 2-9. Governance structure and composition**

The strategic and executive conduct is the responsibility, respectively, of the Board of Directors (CA) and the Executive Board, whose powers and attributions are established in the Bylaws, in the applicable laws and regulations. There are also three committees that advise the CA – Audit; Finance and Strategy; and Governance, People and Sustainability – and an Ethics and Compliance Committee. More information in the topic “Governance structure” of the 2022 Integrated Report, on pages 41 to 45.

**GRI 2-10. Nomination and selection of the highest governance body**

Information in the topic “Governance structure” of the 2022 Integrated Report, on pages 41 to 45.

**GRI 2-11. Chair of the highest governance body**

In 2022, the Chairman of our Board of Directors did not hold the role of Chief Executive Officer or any other in other management bodies. During the year, he served as a member of the Governance, People and Sustainability Committee and the Company’s Ethics and Compliance Committee, advisory bodies providing advice to management.

**GRI 2-12. Role of the highest governance body in overseeing the management of impacts**

Information in the topic “Governance structure” of the 2022 Integrated Report, on pages 41 to 45.

**GRI 2-13. Delegation of responsibility for managing impacts**

Information in the topic “Governance structure” of the 2022 Integrated Report, on pages 41 to 45.

**GRI 2-14 Role of the highest governance body in sustainability reporting**

A aprovação das informações se dá por meio de entrevistas e reuniões de envolvimento e alinhamento.

**GRI 2-15. Conflicts of interest**

Information in the topic “Ethics and compliance” of the 2022 Integrated Report, on pages 46 to 51.

**GRI 2-16. Communication of critical concerns**

Information in the topic “Governance structure” of the 2022 Integrated Report, on pages 41 to 45.

**GRI 2-17. Collective knowledge of the highest governance body**

Information in the topic “Governance structure” of the 2022 Integrated Report, on pages 41 to 45.

**GRI 2-18. Evaluation of the performance of the highest governance body**

Information in the topic “Governance structure” of the 2022 Integrated Report, on pages 41 to 45.

**GRI 2-19. Remuneration policies**

We have a Compensation Policy formally approved by the Board of Directors on May 17, 2021, available on our Investor Relations page (investidores.intercement.com.br). Nevertheless, our objectives and compensation practices are in line with market practices, aiming at attracting and retaining talent and good professionals who demonstrate qualifications, competence and a profile in line with our characteristics and needs.

The remuneration of our professionals is determined according to the functions and responsibilities of each one; the standard of other executives and professionals; and the collective performance of the teams, with regard to operational and profitability goals.

**Fixed remuneration:** monthly base salary and variable remuneration.

**Short-Term Incentive (ICP):** objective and focused on sustainable growth in operating income and cash generation for the calendar year.

**Long-Term Incentive (ILP):** objective and focused on sustainable growth in operating income and cash generation planned for the next five years.

**GRI 2-20. Process to determine remuneration**

The remuneration policy aims at aligning the objectives of our stakeholders. The reward system can be financial or non-financial and seeks to be attractive to people and keep us sustainable not only from a financial point of view. The results of stakeholder votes (including shareholders) on compensation policies and proposals are not disclosed as they are considered confidential.

**GRI 2-21. Annual total compensation ratio**

Confidential information.

**Strategy, policies and practices**

**GRI 2-22. Statement on sustainable development strategy**

Statement appears on pages 2 to 5 of the 2022 Integrated Report.

**GRI 2-23. Policy commitments**

Information in the topic “Ethics and compliance” of the 2022 Integrated Report, on pages 46 to 51.

**GRI 2-24. Embedding policy commitments**

Information in the topic “Ethics and compliance” of the 2022 Integrated Report, on pages 46 to 51.

**GRI 2-25. Processes to remediate negative impacts**

The operation of a cement plant in general causes relevant environmental impacts. Our environmental management system includes actions to mitigate these impacts, such as: monitoring of micropollutant emissions, water collection, generation and disposal of waste, actions to recover degraded areas whose objective is to reduce the amount of atmospheric, liquid and solid effluents and to recover degraded areas as mining frees up areas that will not have mining activity.

We encourage, as a first instance to resolve any dissatisfaction, the communication of complaints by stakeholders to the immediate manager, who has authority for resolution. The process follows the standard for communication with interested parties, which defines that complaints must be registered and the action plan for resolution formalized in our Action Plan Management System. All types of complaints, whether environmental or social, must be registered, with the exception of quality complaints, which must be directed to the CRM System.

If the situation is not resolved or the stakeholder wants to remain anonymous, we provide the Ethics Line (<https://compliance.intercement.com/etica/>) for registering complaints or suggestions. All complaints or suggestions registered in the Ethics Line are treated and analyzed to determine the causes that led to the situation of dissatisfaction. Recurrence prevention actions are consolidated in an action plan (if applicable). In addition to feedback on complaints sent to users, a report is sent every three months, with statistics from the Ethics Line (such as preventive actions, number of complaints in the period, how many were resolved, among others), to Comex and the Ethics and Compliance. Every six months, the same report is presented to the Governance, People and Sustainability Committee and the Board of Directors, and, at least once a year, to the Audit Committee.

Annually, the effectiveness of the process to receive complaints is evaluated through the Analysis of Effectiveness, the Critical Analysis of the Management System and the audits of the Integrated System, carried out by external and internal auditors.

With regard to own and third-party professionals, there are several channels of interaction to report complaints, such as work safety issues – in the system for reporting unsafe conditions. In this system, there is the possibility of refusing to carry out activities in which the worker judges that the preventive measures are not enough; and in the Daily Safety Dialog (DDS), among others. We also have weekly communication meetings and monthly meetings (Giro InterCement), which have a system for anonymous questions. In addition to meetings with leaders (Management Talk).

**GRI 2-26. Mechanisms for seeking advice and raising concerns**

Information in the topic “Ethics and compliance” of the 2022 Integrated Report, on pages 46 to 51.

**GRI 2-27. Compliance with laws and regulations**

We did not record non-compliance with laws and regulations during the year.



**GRI 2-28. Membership associations**

**ENGAGEMENT WITH ASSOCIATIONS**

	Seat on the governance board	Participation in projects and commissions	Financial contribution
ABCP (Associação Brasileira de Cimento Portland/Brazilian Portland Cement Association)	x	x	x
Abiape (Associação Brasileira dos Investidores em Autoprodução de Energia/ Brazilian Association of Investors in the Self-Production of Energy)			x
ABNT (Associação Brasileira de Normas Técnicas/Brazilian Association of Technical Standards)		x	x
ABRH-SP (Associação Brasileira de Recursos Humanos/ Brazilian Association of Human Resources)			x
ABTC (Associação Brasileira dos Fabricantes de Tubos de Concreto/ Brazilian Association of Concrete Tube Manufacturers)		x	
ACI (American Concrete Institute)		x	x
ACOMAC (Associação dos Comerciais de Material de Construção/ Association of Construction Material Traders)			x
Anace (Associação Nacional dos Consumidores de Energia/ National Association of Energy Consumers)			x
Anut (Associação Nacional dos Usuários do Transporte de Carga/ National Association of Cargo Transport Users)			x
Bloco Brasil (Associação Brasileira da Indústria de Blocos de Concreto Brazilian Association of the Concrete Block Industry)		x	x
CEBDS (Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável Brazilian Business Council for Sustainable Development)		x	x
Ibracon (Instituto Brasileiro do Concreto/Brazilian Concrete Institute)		x	x
Brazilian GHG Protocol Program			x
SNIC (Sindicato Nacional da Indústria de Cimento / National Union of the Cement Industry)	x	x	x

**Stakeholder engagement**

**GRI 2-29. Approach to stakeholder engagement**

Information in the topic “ESG Journey” of Integrated Report 2022, on pages 37 to 39.

**GRI 2-30. Collective bargaining agreements**

All employees are covered by collective bargaining agreements..

# GRI 3: Material Topics

**GRI 3-1. Process to determine material topics**

Information in the topic “Materiality” of the 2022 Integrated Report, on pages 20 and 21.

**GRI 3-2. List of material topics**

Divided into the Environmental, Social and Governance (ESG) pillars, the 11 material themes are:

**Ambiental (E):** Energia, emissões e mudanças climáticas; Uso de materiais, resíduos e economia circular; Meio ambiente e natureza (qualidade do ar, água, biodiversidade e resíduos).

**Social (S):** Bem-estar, saúde e segurança; Desenvolvimento humano e diversidade; Desenvolvimento local e impactos no entorno; Gestão da cadeia de valor.

**Governança (G):** Ética, governança e transparência; Desempenho econômico; Excelência operacional; Inovação e desenvolvimento tecnológico.

**GRI 3-3. Management of material topics**

Information throughout the 2022 Integrated Report, on the pages:

- Energia, emissões e mudanças climáticas – 55 e 102 a 115
- Uso de materiais, resíduos e economia circular – 114, 115 e 126 a 129
- Meio ambiente e natureza (qualidade do ar, água, biodiversidade e resíduos) – 111 a 115
- Bem-estar, saúde e segurança – 58 a 77
- Desenvolvimento humano e diversidade – 58 a 77
- Desenvolvimento local e impactos no entorno – 78 a 85 e 95 a 101
- Gestão da cadeia de valor – 78 a 87
- Ética, governança e transparência – 40 a 55
- Desempenho econômico – 132 a 139
- Excelência operacional – 116 a 131
- Inovação e desenvolvimento tecnológico – 88 a 94 e 116 a 131

# GRI 201: Economic Performance 2016

## GRI 201-1. Direct economic value generated and distributed

In 2022, we distributed more than R\$4.6 million, with 78% going to operating costs, 8% to salaries and benefits, 12% to tax payments and 2% to shareholder payments.

### DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (R\$ MILLION)

	2020	2021	2022
<b>Economic Performance 2016</b>			
Revenues	3,315.23	4,429.31	5,156.23
<b>Distributed economic value</b>			
Operational costs	2,630.69	2,833.05	3,602.18
Employee wages and benefits	263.32	303.84	366.54
Payments to capital providers	74.63	90.16	103.41
Payments to government	440.85	298.60	537.84
Investimentos na comunidade	4.54	4.78	2.66
<b>Total</b>	<b>3,414.03</b>	<b>2,933.21</b>	<b>4,612.65</b>
<b>Retained economic value</b>			
"direct economic value generated" minus "economic value distributed"	98.79	1,496.09	543.58
<b>Distributed economic value (%)</b>			
Operational costs	77%	97%	78%
Employee wages and benefits	8%	10%	8%
Payments to capital providers	2%	3%	2%
Payments to government	13%	-10%	12%
Community investments	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## GRI 201-2. Financial implications and other risks and opportunities due to climate change

Information in the topic "Risk management" of Integrated Report 2022, on page 55.

# GRI 202: Market Presence 2016

## GRI 202-1. Ratios of standard entry level wage by gender compared to local minimum wage

### RATIO OF LOWEST STARTING SALARY COMPARED TO LOCAL MINIMUM WAGE\*

	2022	
	Men	Women
Lowest salary paid by the organization	R\$ 2,082.98	R\$ 2,148.09
Minimum wage determined by legislation or union	R\$ 1,500.00	R\$ 1,500.00
Percentage ratio	39%	43%

\*For the indicator, all active cement and concrete units were considered. Data started to be reported in 2022 and was not available for 2020 and 2021.

## GRI 202-2. Proportion of senior management hired from the local community

Since 2020, of the ten members of senior management (CEO and directors), seven (57%) are hired from the local community, that is, in the regional areas: North/Northeast Regional (São Miguel Campos/AL and Campo Formoso/BA units); Center Regional (units of Bodoquena/MS, Cezarina/GO, Ijaci/MG and Santana do Paraíso/MG); Southeast/South Regional (units in Apiaí/SP, Cajati/SP, Nova Santa Rita/RS and Candiota/RS), in addition to the company's headquarters in São Paulo/SP.

# GRI 203: Indirect Economic Impacts 2016

## GRI 203-1. Infrastructure investments and services supported

Information in the topic "Communities" of Integrated Report 2022, on pages 95 to 101.

## GRI 203-2. Significant indirect economic impacts

Information in the topic "Communities" of Integrated Report 2022, on pages 95 to 101.

# GRI 204: Procurement Practices 2016

## GRI 204-1. Proportion of spending on local suppliers

Of the purchasing budget, 9% was spent on local suppliers (7% in 2021). For this analysis, we mapped all suppliers and considered those located within a radius of 50 kilometers. Autonomous ones represent 3% of our total spend, but we have 2,063 active signs and represent 16% of the inbound portfolio.

# GRI 205: Anti-corruption 2016

## GRI 205-1. Operations assessed for risks related to corruption

We carry out risk assessment, but not specifically focusing on corruption.

## GRI 205-2. Communication and training about anti-corruption policies and procedures

### TOTAL NUMBER AND PERCENTAGE OF GOVERNANCE BODY MEMBERS TO WHOM THEY WERE COMMUNICATED AND WHO RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

	2020		2021		2022	
	Informed	Trained	Informed	Trained	Informed	Trained
Total Number	10	0	16	7	12	12
Percentage	100%	0%	100%	44%	80%	80%

### NÚMERO TOTAL E PERCENTUAL DE EMPREGADOS AOS QUAIS FORAM COMUNICADAS E QUE RECEBERAM TREINAMENTO SOBRE AS POLÍTICAS E PROCEDIMENTOS ANTICORRUPÇÃO

	2020		2021		2022	
	Informed	Trained	Informed	Trained	Informed	Trained
Total Number	1,829	81	2,009	617	2,009	1,943
Percentage	100%	4%	100%	31%	100%	97%

### TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES WHO WERE NOTIFIED AND WHO RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES, BY EMPLOYEE CATEGORY

Functional category	Indicator	2020		2021		2022	
		Informed	Trained	Informed	Trained	Informed	Trained
Officers	total number of employees	5	0	5	0	5	5
	percentage of employees communicated/trained	100%	0%	100%	60%	100%	100%
Senior Management	total number of employees	1	0	12	5	13	12
	percentage of employees communicated/trained	100%	0%	100%	38%	100%	92%
Management	total number of employees	36	3	37	20	121	119
	percentage of employees communicated/trained	100%	8%	100%	59%	100%	98%
Middle Management/Consultants	total number of employees	70	5	144	87	58	56
	percentage of employees communicated/trained	100%	7%	100%	64%	100%	97%
Experts	total number of employees	307	27	378	156	415	393
	percentage of employees communicated/trained	100%	9%	100%	44%	100%	95%
Coordinators	total number of employees	90	4	74	22	0	0
	percentage of employees communicated/trained	100%	4%	100%	38%	0%	0%
Operational Managers	total number of employees	19	0	18	9	92	88
	percentage of employees communicated/trained	100%	0%	100%	50%	100%	96%
Administrative/Operational	total number of employees	1,301	42	1,341	318	1,305	1,271
	percentage of employees communicated/trained	100%	3%	100%	25%	100%	97%
<b>Total</b>	<b>total number of employees</b>	<b>1,829</b>	<b>81</b>	<b>2,009</b>	<b>617</b>	<b>2,009</b>	<b>1,944</b>
	<b>percentage of employees communicated/trained</b>	<b>100%</b>	<b>4%</b>	<b>100%</b>	<b>31%</b>	<b>100%</b>	<b>97%</b>

**TOTAL NUMBER AND PERCENTAGE OF BUSINESS PARTNERS TO WHOM THE ANTI-CORRUPTION POLICIES AND PROCEDURES ADOPTED BY THE ORGANIZATION WERE COMMUNICATED**

	2020	2021	2022
	Informed	Informed	Informed
Number	262	780	1,054
Percentage	11%	28%	41%

**GRI 205-3 Confirmed incidents of corruption and actions taken**

During the year, we did not record lawsuits involving corrupt practices.

## GRI 206: Anti-competitive Behavior 2016

**GRI 206-1. Legal actions for anti-competitive behavior, anti-trust, and monopoly practices**

During the year, we recorded 14 lawsuits filed for unfair competition, trust and/or monopoly practices. However, there were no monetary losses as a result of lawsuits on the matter. We were subject to two public civil actions in the initial phase, 11 actions for damages (ten have already been dismissed and one is awaiting consideration of appeals filed by the parties) and one precautionary action (proceeding on provisional write-off – awaiting only to be filed).

## GRI 301: Materials 2016

**GRI 301-1. Materials used by weight or volume**

In 2022, we used more than 12 million tons of materials in our production process, with limestone being the most representative. Of the total, 99.7% of the materials used are from non-renewable sources.

**TOTAL WEIGHT OR VOLUME OF MATERIALS USED IN PRODUCTION AND PACKAGING, BY MATERIAL**

	Whether it is used in the final product or packaging	Renewable/ non-renewable source	Measurement unit	2020	2021	2022
Grinding additives	Final product	Non-renewable	ton	3,844	3,455	3,267
Limestone	Final product	Non-renewable	ton	9,952,631	10,552,100	10,215,565
Steel slag	Final product	Non-renewable	ton	399,079	429,218	381,773
Plaster	Final product	Non-renewable	ton	419,426	444,025	438,819
Silico-aluminous materials	Final product	Non-renewable	ton	607,958	980,731	577,136
Alternative raw material	Final product	Non-renewable	ton	49,526	16,619	17,490
Iron source	Final product	Non-renewable	ton	15,656	55,889	66,787
Pozzolans	Final product	Non-renewable	ton	228,072	193,465	208,357
Ashes from conventional fossil fuels	Final product	Non-renewable	ton	499,413	6,477	36,982
Alternative fuel ash	Final product	Non-renewable	ton	150,155	52,426	34,558
Renewable fuel ash	Final product	Renewable	ton	121,543	29,191	35,558
<b>Total</b>				<b>12,447,303</b>	<b>12,763,598</b>	<b>12,016,292</b>

**GRI 301-2. Recycled input materials used**

Of the materials used in 2022, 18% come from recycling. Even with a lower consumption of steel slag in the year, the increase in the waste reuse rate is due to the increased use of waste from the production of gravel from concreting in cement mills.

**PERCENTAGE OF RECYCLED INPUTS USED IN THE MANUFACTURE OF MAIN PRODUCTS AND SERVICES**

	2020	2021	2022
Grinding additives	0%	0%	0%
Limestone	9%	10%	12%
Steel slag	100%	100%	100%
Plaster	57%	57%	55%
Silico-aluminous materials	0%	0%	0%
Alternative raw material	100%	100%	100%
Iron source	0%	16%	40%
Pozzolans	85%	100%	85%
Ashes from conventional fossil fuels	99%	0%	79%
Alternative fuel ash	100%	100%	100%
Renewable fuel ash	100%	100%	100%
<b>Total</b>	<b>21%</b>	<b>16%</b>	<b>18%</b>

### GRI 301-3. Reclaimed products and their packaging materials

In 2022, we recovered 40% of the bags sold.

#### PERCENTAGE OF RECOVERED PACKAGES\*

	2021	2022
Cement bag (packaging)	21%	40%

\*Data started to be reported in 2021 and was not available for 2020.

## GRI 302: Energy 2016

### GRI 302-1. Energy consumption within the organization

We use the Cement Know How InterCement (CKHIC) system, a primary database, for the calculation and annual report of Industrial Performance and Sustainability of the Operating Units. The data is automatically collected, validated by the cement factories and transferred to a spreadsheet prepared by the Cement Sustainability Initiative (now the Global Cement and Concrete Association - GCCA) - which calculates all information related to the absolute and specific emission of carbon dioxide, energy consumption and related performance indicators (energy efficiency, thermal replacement by biomass/waste and clinker replacement, among others). In 2022, we consumed 26,997,509 GJ of energy, 13% of which from the electricity grid and 24% from alternative sources (biomass and waste).

#### TOTAL ENERGY CONSUMED (GJ)

	2020	2021	2022
Fuels from non-renewable sources	19,665,574	21,497,193	20,611,263
Fuels from renewable sources	2,446,452	2,566,929	2,968,388
Energy consumed	3,296,233	3,488,636	3,417,858
Energy sold	0	0	0
<b>Total</b>	<b>25,408,259</b>	<b>27,552,758</b>	<b>26,997,509</b>

### FUEL CONSUMPTION, BY SOURCE (GJ)

	2020	2021	2022
<b>Non-renewable sources</b>			
Coal + anthracite	0	1,007,055	654,123
Petroleum coke	16,206,223	16,717,395	15,828,999
(ultra) heavy fuel	66,948	91,477	109,867
Diesel oil	351,386	336,193	405,126
Natural gas	0	0	0
Tires	2,040,813	1,677,261	1,644,586
CDR including plastics	14,412	69,822	93,195
Mixed Industrial Waste	282,231	319,261	431,516
Other fossil-based waste	703,561	1,278,729	1,443,852
<b>Subtotal</b>	<b>19,665,574</b>	<b>21,497,193</b>	<b>20,611,263</b>
<b>Renewable sources</b>			
Agricultural biomass, organic, diaper waste, coal	1,287,913	1,393,224	1,855,569
Other biomass	403,718	553,348	504,547
Alternative fuels that contain biomass	754,821	620,357	608,271
<b>Subtotal</b>	<b>2,446,452</b>	<b>2,566,929</b>	<b>2,968,388</b>
<b>Energy consumed</b>			
Electricity	3,296,233	3,488,636	3,417,858
<b>Subtotal</b>	<b>3,296,233</b>	<b>3,488,636</b>	<b>3,417,858</b>
<b>Total</b>	<b>25,408,259</b>	<b>27,552,758</b>	<b>26,997,509</b>

### GRI 302-2. Energy consumption outside of the organization

In line with the CO2 and Energy Accounting and Reporting Standard for Cement Industry - V03 protocol, according to which the reporting of Scope 3 emissions is optional, we do not quantify the fuel consumption of outsourced fleets.

### GRI 302-3. Energy intensity

Our energy intensity in 2022 was 3.20 GJ/ton of cement - quantity produced (all equipment and types of cement products) during a given period. Cement products include produced clinker, consumed components in Portland cements and products used as cement substitutes, including sold clinker and excluding purchased clinker.

**ENERGY INTENSITY (GJ/TON OF CEMENT)\***

	2020	2021	2022
	3.05	3.10	3.20

\*The lower calorific value data of each fuel is determined in our chemical laboratories or extracted from the GCCA (Global Cement and Concrete Association) database. The calculation includes consumption of fuel, electricity, heat and steam within the organization.

**GRI 302-4. Reduction of energy consumption**

There were no reductions in energy consumption directly achieved as a result of improvements in conservation and efficiency.

# GRI 303: Water and Effluents 2018

**GRI 303-1. Interactions with water as a shared resource**

Information in the topic "Water" of Integrated Report 2022, on page 111.

**GRI 303-2. Management of water dischargerelated impacts**

Information in the topic "Water" of Integrated Report 2022, on page 111.

**GRI 303-3. Water withdrawal**

**TOTAL WATER WITHDRAWAL, BY SOURCE (ML)\***

	2020	2021	2022
Surface waters	698	1,525	1,315
Groundwater	562	179	206
Water from third parties	393	259	297
<b>Total</b>	<b>1,653</b>	<b>1,964</b>	<b>1,818</b>

\*Não são feitas captações de água do mar e água produzida. Não foram consideradas as unidades de Brumado, Jacaréi, João Pessoa, Pedro Leopoldo e Suape (a partir do momento em que foram hibernadas). Não reportamos o indicador por áreas de estresse hídrico nem o total de água reciclada.

**GRI 303-4. Water discharge**

The disposal of effluents is not a significant parameter because it is mostly sanitary effluents. The small reduction in the total volume between 2022 and 2021 is due to the variation in the number of employees in our units.

**DESCARTE TOTAL DE ÁGUA, POR DESTINAÇÃO (ML)\***

	2021	2022
Surface waters, including wetlands, rivers, lakes and oceans	31	65
Groundwater	36	29
Water from third parties, and the volume of that total sent for use in other organizations, if applicable**	46	18
<b>Total</b>	<b>113</b>	<b>111</b>

\*The effluent volume data are estimated considering the generation of sanitary effluents. The units of Brumado, Jacaréi, João Pessoa, Pedro Leopoldo and Suape (from the moment they were hibernated) were not considered. We do not report by water stress areas. Data started to be reported in 2021 and was not available for 2020.

\*\*The volume declared as third-party water corresponds to liquid effluents sent for treatment at outsourced stations. The effluents generated are mostly sanitary, with no priority substances being defined. There were no discharge incidents.

**TOTAL WATER DISCHARGE, BY TYPE OF WATER (ML)**

	2021	2022
Água doce (≤1.000 mg/L de sólidos dissolvidos totais)	67	93
Outras águas (> 1.000 mg/L sólidos totais dissolvidos)	46	18
<b>Total</b>	<b>113</b>	<b>111</b>

**GRI 303-5. Water consumption**

**TOTAL WATER CONSUMPTION (ML)\***

	2020	2021	2022
	1,653	1,963	1,707

\*The water used is exclusively for cooling equipment, wetting roads and storage piles, that is, accessory activities. The calculation of water consumption is obtained by capturing less water discharge. Data started to be reported in 2021 and was not available for 2020.

# GRI 304: Biodiversity 2016

**GRI 304-1. Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas**

Information in the topic "Biodiversity" of Integrated Report 2022, on pages 112 and 113.

**GRI 304-2. Significant impacts of activities, products and services on biodiversity**

Information in the topic "Biodiversity" of Integrated Report 2022, on pages 112 to 114.



**GRI 304-3. Habitats protected or restored**

Information in the topic “Biodiversity” of Integrated Report 2022, on pages 112 and 113.

**GRI 304-4. IUCN Red List species and national conservation list species with habitats in areas affected by operations**

Information in the topic “Biodiversity” of Integrated Report 2022, on page 114.

# GRI 305: Emissions 2016

**GRI 305-1. Direct (Scope 1) GHG emissions**

**DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1) (tCO<sub>2</sub>e)\***

	2020	2021	2022
Generation of electricity, heat or steam	1,792,414	1,934,424	1,830,184
Physical-chemical processing	3,348,621	3,537,477	3,445,320
Transportation of materials, products, waste, employees and passengers	21,288	22,221	25,504
Fugitive emissions	0	0	0
<b>Total gross tCO<sub>2</sub> emissions</b>	<b>5,162,323</b>	<b>5,494,122</b>	<b>5,301,009</b>

\*Gases considered in the calculation: CO<sub>2</sub> and N<sub>2</sub>O.

**BIOGENIC CO<sub>2</sub> EMISSIONS (SCOPE 1) (tCO<sub>2</sub>e)\***

	2020	2021	2022
	266,616	266,614	312,763

\*Gases considered in the calculation: CO<sub>2</sub> and N<sub>2</sub>O.

**GRI 305-2. Energy indirect (Scope 2) GHG emissions**

**INDIRECT EMISSIONS FROM ENERGY ACQUISITION (SCOPE 2) (tCO<sub>2</sub>e)\***

	2020	2021	2022
	57,540	124,821	40,990

\*Gases considered in the calculation: CO<sub>2</sub>. The reduction was due to the change in Brazil's energy matrix, which in 2021 had a factor of 126 KgCO<sub>2</sub>/MWh and in 2022 is on average 43 KgCO<sub>2</sub>/MWh.

**GRI 305-3. Other indirect (Scope 3) GHG emissions**

We do not monitor Scope 3, but as of 2022 we will begin to quantify the balance between purchased/sold clinker and the associated CO<sub>2</sub> emissions. In addition, we will carry out a materiality assessment of the main sources of Scope 3 emissions.

**GRI 305-4. GHG emissions intensity**

In 2022, we reached 0.63 in the intensity of GHG emissions. The data includes only Scope 1 emissions.

	2020*	2021*	2022
Intensity of Greenhouse Gas Emissions - gross (tCO <sub>2</sub> e/ton of cement)	0.612	0.630	0.629
Intensity of Greenhouse Gas Emissions - net (tCO <sub>2</sub> e/ton of cement)	0.578	0.599	0.593

\*The indicators were recalculated due to an adjustment in the amount of cement.

**GRI 305-5. Reduction of GHG emissions**

**GHG EMISSION REDUCTIONS ACHIEVED AS A DIRECT RESULT OF EMISSION REDUCTION INITIATIVES (tCO<sub>2</sub>e)\***

	2021	2022
Reductions from direct emissions (Scope 1)	331,799	138,687
Reduction from indirect emissions from energy acquisition (Scope 2)	67,281	-16,551
<b>Total GHG emission reductions</b>	<b>399,080</b>	<b>122,136</b>

\*The reductions were calculated based on 2020 and our focus, at this first moment, is on reducing the intensity of net GHG emissions.

**GRI 305-7. Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions**

**SIGNIFICANT ATMOSPHERIC EMISSIONS (TONS)\***

	2020	2021	2022
NOx	11,443	14,258	14,466
SOx	2,212	3,571	3,160
Particulate matter (PM)	891	795	552
Dioxins/furans	0.000000000268	0.000000000259	0.000000000056
Volatile Organic Compounds (VOCs)	n/d	96	108
Heavy metals	18	9	13

\*We do not monitor hazardous air pollutant (VOC) emissions.

The selection of quantification methodologies, data collection and use of factors for all Greenhouse Gas (GHG) emission indicators was based on the recommendations of the ABNT NBR ISO 14064-1 standard (ABNT, 2007). In addition, the following documents were used as reference for the preparation of our GHG inventory:

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, WRI & WBCSD-CSI CO 2 Cement Industry Emissions Protocol (Version 3.0 / May 2011) Reference: World Business Council for Sustainable Development - Cement Sustainability Initiative [www.wbcscement.org/](http://www.wbcscement.org/)
- FGV's Brazilian GHG Protocol Program (PBGHGP) guides, guidelines and calculation tools;
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC (2006).

## GRI 306: Waste 2020

### GRI 306-1. Waste generation and significant waste-related impacts

Information in the topic "Waste" of the 2022 Integrated Report, on pages 114 and 115.

We use the Cement Know How InterCement (CKHIC) system, a primary database, for the calculation and annual report of Industrial Performance and Sustainability of the Operating Units. Data are automatically collected, validated by cement factories and transferred to the WRI - WBCSD CSI CO2 Protocol v 03 spreadsheet prepared by the Cement Sustainability Initiative (now Global Cement and Concrete Association - GCCA). The latter calculates all information relating to the absolute and specific emission of carbon dioxide and the related performance indicators (energy efficiency, thermal replacement by biomass / waste and replacement of clinker, among others). The data consolidation approach considers the operations for which we have operational control. The base year chosen was 2020, as it was the year defined for the 2030 Commitments.

### GRI 306-2. Management of significant wasterelated impacts

Information in the topic "Waste" of the 2022 Integrated Report, on pages 114 and 115.

### GRI 306-3. Waste generated

#### WASTE GENERATED BY COMPOSITION (TONS)\*

Waste composition	2021	2022
Hazardous waste	1,638	877
Non-hazardous waste	7,636	6,311
<b>Total waste</b>	<b>9,274</b>	<b>7,188</b>

\*Waste is not weighed at the time of generation, so it is sent to our waste center according to classification, remaining stored until final destination. For this reason we do not have the amount of generation and only destination. Data started to be reported in 2021 and was not available for 2020.

### GRI 306-4. Waste diverted from disposal

The volume of waste generated and disposed of in 2022 was lower than in 2021, however, in 2021 a large volume of waste stored for other years in the organization's units had been disposed of. In 2022, the flow of generation/disposal was continuous, without the need to dispose of liabilities and without creating significant new volumes stored.

#### WASTE NOT INTENDED FOR DISPOSAL BY RECOVERY OPERATION (TONS)\*

	Within the organization		Outside the organization		Total	
	2021	2022	2021	2022	2021	2022
<b>Hazardous waste</b>						
Preparation for reuse	0	0	0	0	0	0
Recycling	0	0	1,373	607	1,373	607
Other recovery operations	219	201	0	0	219	201
<b>Subtotal</b>	<b>219</b>	<b>201</b>	<b>1,373</b>	<b>607</b>	<b>1,592</b>	<b>808</b>
<b>Non-hazardous waste</b>						
Preparation for reuse	0	0	0	0	0	0
Recycling	0	0	5,974	4,754	5,974	4,754
Other recovery operations	619	513	17	406	636	919
<b>Subtotal</b>	<b>619</b>	<b>513</b>	<b>5,991</b>	<b>5,160</b>	<b>6,610</b>	<b>5,673</b>
<b>Total</b>	<b>838</b>	<b>714</b>	<b>7,364</b>	<b>5,767</b>	<b>8,202</b>	<b>6,481</b>

\*Data started to be reported in 2021 and was not available for 2020.



**GRI 306-5. Waste directed to disposal**

**WASTE INTENDED FOR FINAL DISPOSAL WITHIN THE ORGANIZATION (TONS)**

	2020	2021	2022
<b>Non-hazardous waste</b>			
Landfill	10,198	1,026	638
Co-processed	538	619	513
Reuse/recycle	6,070	5,974	4,754
Other forms of recovery	55	17	406
Total non-hazardous waste with final destination	16,861	7,636	6,311
<b>Hazardous waste</b>			
Landfill	139	46	69
Co-processed	178	219	201
Reuse/recycle	710	1,373	607
<b>Total hazardous waste with final destination</b>	<b>1,027</b>	<b>1,638</b>	<b>877</b>

# GRI 401-1: Employment 2016

**GRI 401-1. New employee hires and employee turnover**

**TOTAL NUMBER AND RATE OF NEW HIRES, BY AGE GROUP\***

Age group	2021		2022	
	Total Number	Rate	Total Number	Rate
Less than 30 years old	114	0.35	108	0.32
Between 30 and 50 years old	227	0.16	174	0.12
Over 50 years old	13	0.06	12	0.05
<b>Total</b>	<b>354</b>	<b>0.18</b>	<b>294</b>	<b>0.15</b>

\*Data started to be reported in 2021 and was not available for 2020.

**TOTAL NUMBER AND RATE OF EMPLOYEES (COLLABORATORS) HIRED, BY GENDER\***

Gender	2021		2022	
	Total Number	Rate	Total Number	Rate
Men	235	0.14	175	0.11
Women	119	0.35	119	0.32
<b>Total</b>	<b>354</b>	<b>0.18</b>	<b>294</b>	<b>0.15</b>

\*Data started to be reported in 2021 and was not available for 2020.

**TOTAL NUMBER AND RATE OF EMPLOYEES (COLLABORATORS) HIRED, BY REGION\***

Region	2021		2022	
	Total Number	Rate	Total Number	Rate
North Region	38	0.14	0	0.00
Northeast Region	27	0.10	19	0.07
Midwest Region	0	0.00	36	0.13
Southeast Region	240	0.19	207	0.16
South Region	49	0.23	32	0.16
<b>Total</b>	<b>354</b>	<b>0.18</b>	<b>294</b>	<b>0.15</b>

\*Data started to be reported in 2021 and was not available for 2020.

**TOTAL NUMBER AND RATE OF EMPLOYEES (COLLABORATORS) WHO LEFT THE COMPANY, BY AGE GROUP\***

Faixa etária	2021		2022	
	Total Number	Rate	Total Number	Rate
Less than 30 years old	33	22%	40	22%
Between 30 and 50 years old	128	12%	207	13%
Over 50 years old	38	11%	37	10%
<b>Total</b>	<b>199</b>	<b>14%</b>	<b>284</b>	<b>14%</b>

\*Data started to be reported in 2021 and was not available for 2020.

**TOTAL NUMBER AND RATE OF EMPLOYEES (COLLABORATORS) WHO LEFT THE COMPANY, BY GENDER**

Gender	2021		2022	
	Total Number	Rate	Total Number	Rate
Men	161	12%	210	12%
Women	38	23%	74	26%
<b>Total</b>	<b>199</b>	<b>14%</b>	<b>284</b>	<b>14%</b>

\*Data started to be reported in 2021 and was not available for 2020.

**TOTAL NUMBER AND RATE OF EMPLOYEES (COLLABORATORS) WHO LEFT THE COMPANY, BY REGION**

Region	2021		2022	
	Total Number	Rate	Total Number	Rate
North Region	0	0%	0	0%
Northeast Region	18	8%	31	9%
Midwest Region	26	12%	19	10%
Southeast Region	124	15%	194	16%
South Region	31	19%	40	18%
<b>Total</b>	<b>199</b>	<b>14%</b>	<b>284</b>	<b>14%</b>

*\*Data started to be reported in 2021 and was not available for 2020.*

**GRI 401-2. Benefits provided to full-time employees that are not provided to temporary or part-time employees**

Information in the topic "Attracting and retaining talent" in the 2022 Integrated Report, on page 60.

**GRI 401-3. Parental leave**

**PARENTAL LEAVE**

	2022	
Total number of employees entitled to benefit from maternity/paternity leave	homens	1,633
	mulheres	376
Total number of employees who took maternity/paternity leave	homens	89
	mulheres	20
Total employees who returned to work, in the reporting period, after the end of maternity/paternity leave	homens	89
	mulheres	20
Total employees who returned to work after maternity/paternity leave and who were still employed 12 months after returning to work	homens	87
	mulheres	19
Return rate	homens	100%
	mulheres	100%
Retention rate	homens	98%
	mulheres	95%

*\*Data started to be reported in 2022 and was not available for 2020 and 2021.*

# GRI 402: Labor/Management Relations 2016

**GRI 402-1. Minimum notice periods regarding operational changes**

All significant alterations, which imply operational changes, are dealt with promptly by Comex, with no general minimum notice period for employees. Changes that directly impact them are informed immediately or at most in the same month of the change. Union negotiations usually take place close to the base date of each location (around 90 to 120 days in advance).

# GRI 403: Occupational Health and Safety 2018

**GRI 403-1. Sistema de gestão de saúde e segurança do trabalho**

Information in the topic "Safety, health and well-being" of the 2022 Integrated Report, on pages 70 to 77.

**GRI 403-2. Hazard identification, risk assessment, and incident investigation**

Information in the topic "Safety, health and well-being" of the 2022 Integrated Report, on pages 70 to 77.

**GRI 403-3. Occupational health services**

Information in the topic "Safety, health and well-being" of the 2022 Integrated Report, on pages 70 to 77.

**GRI 403-4. Worker participation, consultation, and communication on occupational health and safety**

Information in the topic "Safety, health and well-being" of the 2022 Integrated Report, on pages 70 to 77.

**GRI 403-5. Worker training on occupational health and safety management system**

Information in the topic "Safety, health and well-being" of the 2022 Integrated Report, on pages 70 to 77.

**GRI 403-6. Promotion of worker health**

Information in the topic "Safety, health and well-being" of the 2022 Integrated Report, on pages 70 to 77.

**GRI 403-7. Prevention and mitigation of occupational health and safety impacts directly linked by business relationships**

Information in the topic "Safety, health and well-being" of the 2022 Integrated Report, on pages 70 to 77.

**GRI 403-8. Workers covered by an occupational health and safety management system**

100% of the company's employees, i.e. 2,009 people, are covered by a health and safety management system that has been internally and externally audited and certified. 100% of outsourced workers (1,826 fixed and outsourced workers) are also covered.

**GRI 403-9. Work-related injuries**

**EMPLOYEE HEALTH AND SAFETY RATES AND FIGURES\***

Rates	2020	2021	2022
Number of deaths as a result of work-related injuries	0	0	0
Rate of deaths as a result of work-related injuries	0.0	0.0	0.0
Number of high-consequence work-related injuries (excluding fatalities)	0	1	0
Rate of high-consequence work-related injuries (excluding fatalities)	0.0	0.2	0.0
Number of reportable work-related injuries	10	4	8
Rate of reportable work-related injuries	2.5	0.9	1.7

\*Fees are calculated based on 1,000,000 HT.

**HEALTH AND SAFETY RATES AND FIGURES FOR ALL NON-EMPLOYEE WORKERS WHOSE WORK AND/OR WORKPLACE IS CONTROLLED BY THE ORGANIZATION\***

Rates	2020	2021	2022
Number of deaths as a result of work-related injuries	0	0	0
Rate of deaths as a result of work-related injuries	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	1	0	2
Rate of high-consequence work-related injuries (excluding fatalities)	0.2	0	0.2
Number of reportable work-related injuries	7	7	12
Rate of reportable work-related injuries	1.5	0.9	1.3

\*Fees are calculated based on 1,000,000 HT.

**GRI 403-10. Work-related ill health**

We did not record deaths or professional illnesses among own employees and third parties. We periodically update the global assessment of occupational hygiene programs in which the main dangers that pose a risk of disease were recognized: exposure to dust from the cement manufacturing process and noise generated by the operation of machines and equipment in the industrial production process.

# GRI 404: Training and Education 2016

**GRI 404-1. Average hours of training per year per employee**

**AVERAGE HOURS OF TRAINING EMPLOYEES COMPLETED DURING THE REPORTING PERIOD BY GENDER**

Gender	2020	2021	2022
Men	9.4	27.1	26.5
Women	7.1	35.7	43.9
<b>Total</b>	<b>9.1</b>	<b>28.6</b>	<b>30.1</b>

**AVERAGE HOURS OF TRAINING THAT EMPLOYEES (COLLABORATORS) TOOK DURING THE REPORTING PERIOD BY FUNCTIONAL CATEGORY**

Functional category	2020	2021	2022
Officers	1.9	28.1	30.6
Senior Management	1.3	14.6	49.2
Management	9.3	35.6	77.3
Middle Management/Consultants	9.4	35.9	53.1
Experts	9.2	33.8	34.7
Coordinators	23.4	73.0	44.5
Operational Managers	8.4	61.4	61.4
Administrative/Operational	8.3	23.3	23.8
Apprentices	6.9	13.4	16.2
Interns	7.1	21.6	35.0



**GRI 404-2. Programs for upgrading employee skills and transition assistance programs**

Information in the “Development” topic of the 2022 Integrated Report, on page 67.

**GRI 404-3. Percentage of employees receiving regular performance and career development reviews**

**PERCENTUAL DO TOTAL DE EMPREGADOS, DISCRIMINADOS POR GÊNERO E CATEGORIA FUNCIONAL, QUE RECEBERAM AVALIAÇÃO REGULAR DE DESEMPENHO E DE DESENVOLVIMENTO DE CARREIRA**

Functional category	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Officers	60%	0%	60%	100%	0%	100%	100%	0%	100%
Senior Management	100%	0%	100%	58%	8%	67%	86%	14%	100%
Management	100%	100%	100%	70%	22%	92%	62%	38%	100%
Middle Management/Consultants	89%	87%	88%	67%	26%	92%	74%	26%	96%
Experts	26%	45%	33%	59%	35%	94%	62%	38%	92%
Coordinators	96%	100%	97%	91%	3%	93%	94%	6%	92%
Operational Managers	100%	100%	100%	67%	22%	89%	76%	24%	100%
Administrative/Operational	3%	30%	6%	74%	9%	82%	88%	12%	85%
<b>Total</b>	<b>17%</b>	<b>47%</b>	<b>21%</b>	<b>71%</b>	<b>15%</b>	<b>86%</b>	<b>81%</b>	<b>19%</b>	<b>88%</b>

# GRI 405: Diversity and Equal Opportunity 2016

**GRI 405-1. Diversity of governance bodies and employees**

**PERCENTAGE OF INDIVIDUALS IN GOVERNANCE BODIES, BY GENDER**

	2020	2021	2022
Men	100%	67%	67%
Women	0%	33%	33%

**PERCENTAGE OF INDIVIDUALS IN GOVERNANCE BODIES, BY AGE RANGE**

	2020	2021	2022
Less than 30 years old	0%	0%	0%
Between 30 and 50 years old	67%	50%	50%
Over 50 years old	33%	50%	50%

**PERCENTAGE OF EMPLOYEES, BY JOB CATEGORY AND GENDER**

Functional category	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Officers	100%	0%	100%	0%	100%	0%
Senior Management	100%	0%	92%	8%	92%	8%
Management	83%	17%	76%	24%	62%	38%
Middle Management/Consultants	74%	26%	69%	31%	76%	24%
Experts	63%	37%	62%	38%	60%	40%
Coordinators	95%	5%	97%	3%	96%	4%
Operational Managers	78%	22%	78%	22%	76%	24%
Administrative/Operational	92%	8%	90%	10%	88%	12%
<b>Total</b>	<b>86%</b>	<b>14%</b>	<b>83%</b>	<b>17%</b>	<b>81%</b>	<b>19%</b>

**PERCENTAGE OF EMPLOYEES, BY JOB CATEGORY AND AGE RANGE**

Functional category	2020			2021			2022		
	Less than 30 years old	Between 30 and 50 years old	Over 50 years old	Less than 30 years old	Between 30 and 50 years old	Over 50 years old	Less than 30 years old	Between 30 and 50 years old	Over 50 years old
Officers	0%	60%	40%	0%	80%	20%	0%	80%	20%
Senior Management	0%	100%	0%	0%	83%	17%	0%	77%	23%
Management	0%	83%	17%	0%	81%	19%	0%	86%	14%
Middle Management/Consultants	1%	87%	11%	3%	88%	9%	3%	88%	9%
Experts	14%	78%	8%	16%	75%	9%	20%	71%	10%
Coordinators	2%	82%	16%	4%	78%	18%	5%	78%	17%
Operational Managers	0%	84%	16%	0%	89%	11%	0%	94%	6%
Administrative/Operational	17%	69%	14%	19%	69%	12%	19%	69%	13%
<b>Total</b>	<b>14%</b>	<b>72%</b>	<b>13%</b>	<b>16%</b>	<b>72%</b>	<b>12%</b>	<b>17%</b>	<b>71%</b>	<b>12%</b>

**PERCENTAGE OF EMPLOYEES WITH DISABILITIES, BY FUNCTIONAL CATEGORY AND GENDER**

	2022	
	Men	Women
Officers	0.0%	0.0%
Senior Management	0.0%	0.0%
Management	0.0%	0.0%
Middle Management/ Consultants	0.7%	0.0%
Experts	1.2%	1.0%
Coordinators	0.0%	0.0%
Operational Managers	11.8%	0.0%
Administrative/Operational	3.5%	0.5%
<b>Total</b>	<b>2.6%</b>	<b>0.5%</b>

\*Data started to be reported in 2022 and was not available for 2020 and 2021.

**GRI 405-2. Ratio of basic salary and remuneration of women to men**

**MATHEMATICAL RATIO BETWEEN SALARY AND BASE COMPENSATION FOR WOMEN AND MEN BY JOB CATEGORY\***

	2020	2021	2022
Management	1.0	1.0	0.9
Middle Management/ Consultants	1.0	1.2	1.0
Experts	1.0	1.0	1.0
Coordinators	1.0	0.9	0.8
Operational Managers	1.0	0.8	0.9
Administrative/Operational	1.0	0.8	0.8

\*To calculate the salary ratio, only the base salary was used because the company does not have a differentiated remuneration policy, the base salary is equivalent to the remuneration. Factories and concrete plants were considered.

# GRI 406: Non-discrimination 2016

**GRI 406-1. Incidents of discrimination and corrective actions taken**

For security and confidentiality reasons, we do not report this indicator.

# GRI 407: Freedom of Association and Collective Bargaining 2016

# GRI 408: Child Labor 2016

# GRI 409: Forced or Compulsory Labor 2016

**GRI 407-1. Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | GRI 408-1. Operations and suppliers at significant risk for incidents of child labor | GRI 409-1. Operations and suppliers at significant risk for incidents of forced or compulsory labor**

All suppliers are analyzed in relation to the risks of the right to exercise freedom of association and collective bargaining, in addition to the risks of child, forced or compulsory labor. In the approval process, external sources are consulted to verify whether the company has any process related to the aforementioned topics. We also maintain a Term of General Conditions, which supplier must adhere to, which legally registers the issue of prohibitions of slave, child or forced labor. If any risk is identified, the contract is not carried out.

## GRI 410: Security Practices 2016

### GRI 410-1. Security personnel trained in human rights policies or procedures

We do not provide human rights training for security personnel.

## GRI 411: Rights of Indigenous Peoples 2016

### GRI 411-1. Incidents of violations involving rights of indigenous peoples

We did not register cases of violation of the rights of indigenous peoples.

## GRI 413: Local Communities 2016

### GRI 413-1. Operations with local community engagement, impact assessments, and development programs

Information in the topic "Communities" of Integrated Report 2022, on pages 95 to 101.

### GRI 413-2. Operations with significant actual and potential negative impacts on local communities

Information in the topic "Communities" of Integrated Report 2022, on pages 95 to 101.

## GRI 414: Supplier Social Assessment 2016

### GRI 414-1. New suppliers that were screened using social criteria

871 suppliers, representing 100%, were hired based on social criteria.

### GRI 414-2. Negative social impacts in the supply chain and actions taken

In the approval process, no negative impact on the supply chain was identified.

## GRI 415: Public Policy 2016

### GRI 415-1. Political contributions

We do not make contributions to political parties.

## GRI 416: Customer Health and Safety 2016

### GRI 416-1. Assessment of the health and safety impacts of product and service categories

We do not maintain an information traceability process that allows us to show how the theme is structurally treated in all stages of the life of our products and services.

### GRI 416-2. Incidents of non-compliance concerning the health and safety impacts of products and services

The processes that we currently have in place did not report any non-compliance with regulations and/or voluntary codes during the period covered by this report.





# GRI 418:

## Customer Privacy 2016

**GRI 418-1. Substantiated complaints concerning breaches of customer privacy and losses of customer data**

We do not monitor information in a structured way.

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