

CORPORATE GOVERNANCE REPORT 2024





## CORPORATE GOVERNANCE

### INTRODUCTION

As of 5 October 2019, Cementir Holding is a Dutch public limited company (*Naamloze Vennootschap*) with its registered office in Amsterdam, the Netherlands Zuidplein 36, 1077 XV and a secondary and operational office in Rome, Italy, at Corso di Francia No. 200.

The company's tax residence is in Italy.

The Company has been listed on the Milan Stock Exchange since 1955, currently in the Euronext STAR Milan segment.

Cementir Holding has elected the Netherlands as home Member State for the purposes of Art. 2(1) of the Directive 2004/109/EC of the European Parliament and the Council of 15 December 2004 (the so-called "Transparency Directive").

The Company applies the Dutch Corporate Governance Code (hereinafter the "Code") whose purpose is to facilitate, with or in relation to other laws and regulations, a sound and transparent system of checks and balances within Dutch listed companies and, to that end, regulate relations between the Board of Directors, its Committees and shareholders.

It is to be noted that the provisions of the Code primarily refer to companies with a two-tier board structure (consisting of a shareholder board and a separate supervisory board), while Cementir Holding has implemented a one-tier board. The best practices reflected in the Code for supervisory board members apply therefore by analogy to Non-Executive Directors.

This report refers to the provisions and principles of the Code dated 22 December 2022 applicable from 2023 and available for download at the following address: <https://www.mccg.nl/documenten/2022/12/20/corporate-governance-code-2022> (<https://www.mccg.nl/documenten/2022/12/20/dutch-corporate-governance-code-2022> for the unofficial English version).

### BOARD OF DIRECTORS

#### Composition and nomination of the Board of Directors

In compliance with the Company's Articles of Association (hereinafter the "Articles of Association"), the Board of Directors may be made up of one or more Executive Directors and one or more Non-Executive Directors, providing that the total number of Directors is at least five and at most fifteen. The General Meeting of 20 April 2023 resolved, among other things, on the appointment and composition of the Board of Directors expiring with that General Meeting in accordance with the provisions of the Articles of Association set out below, also determining the number of members, reduced from 10 to 8.

The Board of Directors is currently made up of one Executive Director (Francesco Caltagirone, Chief Executive Officer or "CEO") and seven Non-Executive Directors (Alessandro Caltagirone and Azzurra Caltagirone, Vice Chairmen; Adriana Lamberto Floristan, Senior Non-Executive Director; Saverio Caltagirone, Fabio Corsico, Benedetta Navarra and Annalisa Pescatori).

The Directors are appointed by the General Meeting. Directors may be nominated for appointment:

- on a proposal of the Board; or



- to a proposal of one or more Shareholders, alone or together representing at least the 3% of the issued share capital, provided that the proposal has been notified to the Board in accordance with the requirements of Articles 8.3.4 and 8.3.5 of the Articles of Association.

The nomination must make it explicit whether a person is nominated for appointment as Executive Director or Non-Executive Director. A Director shall be appointed for a maximum period of three years, provided however that unless such Director has resigned at an earlier date, their term of office shall expire ultimately immediately after the close of the first General Meeting held after three years have lapsed since their appointment. A Director may be reappointed with due observance of the preceding sentence. By resolution of the General Meeting at the proposal of the Board, the maximum period of three years may be deviated from. The Board may draw up a retirement schedule for the Directors. At a General Meeting, a resolution to appoint a Director can only be passed in respect of candidates whose names are stated for that purpose in the agenda of that General Meeting or the explanatory notes thereto. The General Meeting may at all times suspend or dismiss a Director.

### **Convening meetings and agenda**

Meetings are held as often as the Senior Non-Executive Director or the Chief Executive Officer or any two Directors jointly request, provided that there are at least four regularly scheduled Board meetings in each financial year.

Meetings are convened in a timely manner by the Senior Non-Executive Director, the Chief Executive Officer or the Vice-Chairman, or if each of them is absent or unable to act, by any Director. The notice sets out the meeting agenda. The Director convening a meeting sets the agenda for that meeting. Directors may submit agenda items to the Director(s) convening the meeting.

### **Meeting location**

Meetings are normally held at the Company's secondary offices in Rome, Italy, but may also take place elsewhere.

Meetings may also be held by telephone, videoconference, or other means of electronic communication, provided that all participants can hear each other simultaneously. Directors attending the meeting by telephone or videoconference are considered present at the meeting.

### **Attendance**

Each Director attends Board meetings and the meetings of the committees of which he or she is a member. If a Director is frequently absent from these meetings, this Director must account for these absences.

A Director may be represented at a meeting by another Director holding a proxy in writing or in a reproducible manner by electronic means of communication.

The Board may require that certain officers and external advisers attend its meetings.

The external auditor may attend the Board meeting at which the external auditor's report on the audit of the financial statements is discussed.

### **Chairman of the meeting**

The Chief Executive Officer chairs the meeting. If the Chief Executive Officer is not present at the meeting, the Senior Non-Executive Director chairs the meeting. If both the Chief Executive Officer



and the Senior Non-Executive Director are not present at a meeting, the Vice-Chairman chairs the meeting. If the Chief Executive Officer, the Senior Non-Executive Director and the Vice-Chairman are not present at the meeting, the Directors present at the meeting will designate one of them as chairman of that meeting.

In accordance with the provisions of the Articles of Association and the Board Rules, a non-executive and independent member, the Senior Non-Executive Director, serves as chairman of the meetings pursuant to and for the purposes of Dutch law (Art. 2:129a of the Dutch Civil Code) and in accordance with Best Practice provision 2.1.9. of the Code. In this regard, in such role, the Senior Non-Executive Director, inter alia, ensures that there is sufficient time for deliberation and decision-making by the Board and that directors receive timely all information that is necessary for the proper performance of their duties. In this capacity, the Senior Non-Executive Director also collects and coordinates the requests and contributions of the Non-Executive Directors and more in particular of the independent directors. The Senior Non-Executive Director, in this capacity, plays a liaison role between the Executive and Non-Executive Directors and thus ensures the effective functioning of the Board as a whole.

### **Adoption of resolutions – quorum requirements**

The Board may only adopt resolutions at a meeting if the majority of the Directors entitled to vote is present or represented at the meeting including at least one Executive Director, if the Executive Director is entitled to vote on matters being considered.

If the Chief Executive Officer believes there is an urgent situation that requires the Board's immediate resolution, the quorum requirement referred as above not apply, providing that:

- at least three directors are present, or represented by proxy, including at least one Executive Director who can validly express their vote on the matters considered; and
- reasonable efforts have been made to involve the other Directors in the decision-making.

The chairman of the meeting ensures that adopted resolutions are communicated to Directors not present at the meeting without delay.

### **Adoption of resolutions - majority requirements**

Each Director has one vote. Where possible, the Board adopts its resolutions by unanimous vote. If this is not possible, the resolution is adopted by a simple majority of the votes cast. In the event of a tie vote the Chief Executive Officer has a casting vote. If there is insufficient agreement on a proposed resolution during the meeting, the chairman of the meeting may defer the proposal for further discussion or withdraw the proposal.

### **Meeting minutes**

The Company Secretary or any other person designated as the meeting secretary prepares the meeting minutes. The minutes are adopted:

- by a resolution adopted at the next Board meeting; or
- by the chairman and secretary of the particular meeting, after having consulted the Directors present or represented at that meeting.



## **Adopting resolutions without holding a meeting**

The Board may also adopt resolutions without holding a meeting, provided that such resolutions are adopted in writing or in a reproducible manner by electronic means of communication, and all Directors entitled to vote consented to adopting such resolutions without holding a meeting.

## **Role of the Board of Directors**

The Board of Directors is responsible for the overall conduct of the Cementir Group and has the powers, authorities and duties vested in it by and pursuant to the relevant laws of the Netherlands and the Articles of Association. In all its dealings, the Board shall be guided by the interests of the Cementir Group as a whole, including but not limited to the Company's shareholders and also taking into account the interests of relevant stakeholders. The Board has the final responsibility for the management, direction and performance of the Company and the Cementir Group.

Pursuant to Art. 7.5.1 of the Articles of Association the Board is authorised to represent the Company.

The Board has allocated duties and powers to the Directors by Board Rules approved pursuant to Art. 7.1.5 of the Company's Articles of Association on 5 October 2019 and subsequently last amended on 27 April 2023, available on the Company's website.

Without limiting the scope of the Board's role, the ongoing items to be considered and decided upon by the full Board include:

- reviewing and approving (any material amendment to) the business plan;
- reviewing and approving (any material amendment to) the Budget;
- ensuring the Cementir Group's compliance with applicable laws and regulations;
- proposing the Dutch statutory management report and financial statements for adoption by the General Meeting;
- approving decisions as required under Dutch law; and
- discussing and approving the strategies for the shaping of the portfolio and direction of the Cementir Group, including the strategy for realising long-term sustainable value creation.

At least once a year, the full Board shall discuss:

- the functioning of the Board of Directors, the Chief Executive Director, the Senior Non-Executive Director and the other directors; and
- the corporate strategy of the Cementir Group, the risks of the business and the assessment by the Board of the structure and operation of the internal risk management and control systems.
- The Board of Directors also resolves:
- on the proposed suspension of any director and the suspension of the Executive Directors, without the presence of the director concerned;
- on the creation or discontinuation of any material business activities;
- on the payment of dividends or other distributions to shareholders (other than a member of the Cementir Group) or the repurchase or redemption of securities or indebtedness of any member of the Cementir Group (other than that held by a member of the Cementir Group);
- on the change of the Company's auditors;



- as the case may be, to liquidate, initiate any bankruptcy, dissolution or winding up proceedings, moratorium or suspension of payments (or any similar proceedings in the relevant jurisdiction) in respect of the Company or any significant Cementir Group company, unless Directors are required to do so by applicable law;
- recommending a public offer for shares in the Company.

The table below shows the personal information of each Director holding a position in Cementir Holding during 2024 in compliance with Best Practice provision in 2.1.2 of the Code. The “Other Positions” pursuant to Best Practice provision 2.4.2 of the Code can be found in the Curriculum Vitae of each Director, available on the Company’s website [Board of Directors | Cementir Holding N.V.](#)



**Table A - Personal Information \***

<b>Name, date of birth, gender, nationality</b>	<b>Position</b>	<b>First appointment</b>	<b>Date of current appointment or reappointment</b>	<b>End of current term</b>
<b>Francesco Caltagirone</b> 29/10/1968, M, Italian	Executive Director ( <i>Chief Executive Officer and Chairman</i> )	27 June 1995	20 April 2023	AGM 2026
<b>Alessandro Caltagirone</b> 27/12/1969, M, Italian	Non-Executive Director ( <i>Vice-chairman</i> )	10 May 2006	20 April 2023	AGM 2026
<b>Azzurra Caltagirone</b> 10/03/1973, F, Italian	Non-Executive Director ( <i>Vice-chairman</i> )	10 May 2006	20 April 2023	AGM 2026
<b>Saverio Caltagirone</b> 03/03/1971, M, Italian	Non-Executive Director	22 May 2003	20 April 2023	AGM 2026
<b>Fabio Corsico</b> 20/10/1973, M, Italian	Non-Executive Director	15 January 2008	20 April 2023	AGM 2026
<b>Adriana Lamberto Floristan</b> 11/09/1973, Spanish F	Senior Non-Executive Director	21 April 2021	20 April 2023	AGM 2026
<b>Benedetta Navarra</b> 24/03/1967, F, Italian	Non-Executive Director	20 April 2023	20 April 2023	AGM 2026
<b>Annalisa Pescatori</b> 20/07/1964, F, Italian	Non-Executive Director	20 April 2023	20 April 2023	AGM 2026

\* The official gender is reported in the absence of notification of a different gender identity.

Three Non-Executive Directors of the Company are qualified as independent for the purposes of the Code: Adriana Lamberto Floristan, Benedetta Navarra and Annalisa Pescatori.

There are no representatives of employees or other workers on the Board of Directors of the Company.

The following table summarises general information on the number and percentage of executive, non-executive, independent members, employee representatives and their respective gender.

**Table A-bis - General information on the composition of the Board of Directors**

<b>Category</b>	<b>No.</b>	<b>% BoD</b>	<b>No. Women</b>	<b>% Women</b>	<b>No. Men</b>	<b>% Men</b>
Executive Director(s)	1	12.5%	0	0%	1	100%
Non-Executive Director(s)	7	87.5%	4	57%	3	43%
Total BoD	8	100%	4	50%	4	50%
Independent directors	3	37.5%	3	100%	0	0%
Workers' representatives	0	N/A	N/A	N/A	N/A	N/A

During 2024, 5 meetings of the Board of Directors were held, in which the Board of Directors, among other things:



- examined and approved the preliminary consolidated results for the fourth quarter of 2023 and for the year ended 31 December 2023;
- examined and approved the 2024 budget and the update of the 2024-2026 Business Plan. In this context, in particular, the Board examined and discussed the strategic vision underlying the 2024-2026 Business Plan proposed by the CEO and, in its integrated composition of Executive and Non-Executive Directors, shared and approved this strategy, participating in the definition of sustainable long-term value creation;
- examined and approved the financial statements for the year ended 31 December 2023, preceded by the approval of the impairment test, and also approved the Cementir Group's Sustainability Report - Non-Financial Statement 2023 with the related materiality matrix, the Corporate Governance Report pursuant to the Code and the Remuneration Report pursuant to the Code and articles 2:135(a) et seq. of the Dutch Civil Code, convening the annual General Meeting;
- examined and approved the quarterly financial results of the Cementir Group and the half-year financial report;
- examined and approved the Internal Audit plan for the year 2025 and the Group's risk assessment, in which the risks associated with the strategy and activities of the Company and its subsidiaries were identified and analysed, in particular the strategic, financial, operational, compliance and sustainability risks, and specific and separate information was provided on the risks related to climate change and the energy transition, which were therefore a further opportunities for discussion and in-depth analysis of sustainability issues within the Board;
- reviewed the performance and procedures of the Board itself and its Committees, assessing their size and composition, also in consideration of professional experience, management expertise, gender;
- verified the diversity targets for 2023 and also defined the diversity and inclusion targets for the Board and senior management for 2024;
- approved the policy for the regulation of lobbying activities and political contribution, the Audit Manual and the Internal Audit Charter, and updated the procedure for handling and disseminating inside information and the Internal Dealing Code.

In line with the suggestions arising from the Board's annual self-assessment, Board meetings were opened with a brief introductory presentation by the Chairman on the current geopolitical situation, strategic issues and/or potential risks facing the Company, as a useful tool to provide Directors with a better visibility and understanding of the Company's business, in particular with regard to issues of general interest and specific events that had occurred in the period between Board meetings, linking them into a single, coherent context and providing an additional stimulus for discussion.

The table below shows the attendance of each Director to the board meetings and also the attendance of the members to the Audit Committee and Remuneration and Nomination Committee and Sustainability Committee meetings.

**Table B - Attendance**

<b>Director</b>	<b>Board of Directors</b>	<b>Audit Committee</b>	<b>Remuneration and Nomination Committee</b>	<b>Sustainability Committee</b>
<b>Francesco Caltagirone</b>	4/5	N/A	N/A	3/3
<b>Alessandro Caltagirone</b>	4/5	N/A	N/A	N/A
<b>Azzurra Caltagirone</b>	5/5	N/A	N/A	N/A
<b>Saverio Caltagirone</b>	5/5	N/A	N/A	N/A





<b>Fabio Corsico</b>	4/5	N/A	N/A	N/A
<b>Adriana Lamberto Floristan</b>	5/5	4/4	3/3	3/3
<b>Annalisa Pescatori</b>	5/5	4/4	3/3	3/3
<b>Benedetta Navarra</b>	5/5	4/4	3/3	3/3

### **Education, training and induction activities for the Board of Directors**

The Company shall ensure that it carries out continuous training activities, in accordance with Best Practice provision 2.4.5 of the Code, also taking into account the results of the annual assessment provided for by Best Practice provision 2.2.8 of the Code.

Since 2020, the comprehensive training offered by the Cementir Academy to Cementir Group employees has been extended to board members. Among the courses, offered in micro e-learning mode, are those on fraud management, whistleblowing, human rights, cybersecurity, GDPR (Data Protection Regulation (EU) 2016/679), Code of Ethics, 231 Models, Diversity Equity & Inclusion. The insider information course has been in place since as early as 2019. The course list is designed to be continually updated and expanded. Since 2024, to emphasise the Company's commitment to sustainability, the course list has been expanded with a course on ESG issues, aimed at deepening the current position and outlining the Group's ESG objectives, showing strategies to achieve them with the intention of taking urgent action in this area. A course on tax offences was also added.

In 2024, Cementir Holding organised a visit to one of the Group's main plants, in Aalborg, Denmark, for the board members, as also requested during the board's annual self-assessment process. Such an initiative had already been implemented in 2019, then suspended from 2020 due to the pandemic.

During the financial year, an in-depth induction programme was prepared for directors, this year focusing on the new Corporate Sustainability Reporting Directive ("CSRD"), cybersecurity and the sustainable transition within Group's products & solution portfolio, also in response to requests raised during the self-assessment.

### **Succession plan**

Pursuant to Best Practice Provision 2.2.4 of the Code, the Company by resolution of the Board on 27 July 2022, upon the favourable opinion of the Remuneration and Nomination Committee, adopted the succession procedure (hereinafter the "Succession Plan") regulating the process to be followed in the event of the appointment of a member of the Board of Directors. In particular, the Procedure describes the timing, actors and actions to be taken for the appointment both when the term set by the General Meeting of the Company for the office of director of the Company is approaching expiry, and in the event of the early termination of Executive or Non-Executive Directors for any reason with respect to the term of office. The contingency plan with temporary management pending the final replacement by the General Meeting is also described.

### **EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER**

The Executive Director is responsible for the ordinary and extraordinary management of the Company with the widest powers to the maximum extent permitted by the applicable law, developing and setting the Company's objectives and strategy, overseeing the associated risk profile and addressing corporate social responsibility issues that are relevant to the Company.



The Executive Director also discusses the effectiveness of the design and operation of the internal risk management and control systems with the Audit Committee and renders account of this to the Board.

Only one Executive Director has been appointed who is also automatically Chief Executive Officer and Chairman pursuant to Art. 2.3.4 of the Company's Board Rules and Art. 7.1.2 of the Articles of Association, without prejudice to the role of the Senior Non-Executive Director under Dutch law.

The Chief Executive Officer is primarily responsible for the day-to-day management of the Company with each and every power of ordinary and extraordinary administration of the Company, to the maximum extent permitted by the applicable law, including, without limitation, the following tasks and responsibilities:

- the operational management of the Company;
- the profit responsibility of the Company and the Cementir Group's enterprises;
- setting performance targets for the Cementir Group;
- managing the business performance of the Cementir Group;
- examining, analysing and proposing to the Board strategic business opportunities that can contribute to the further growth of the Cementir Group;
- compliance with all relevant laws and regulations, the Articles of Association and good corporate governance practice;
- executing the decisions of the Board;
- determining the objectives to be achieved by the Board; and
- communicating with all relevant stakeholders of the Company, the media and the public; and
- preparing the Company's annual accounts as referred to in Art. 2:361 BW.

Pursuant to Art. 7.5.1 of the Articles of Association and Art. 2.4.3 of the Board Rules, the Chief Executive Officer is authorised to represent the Company.

The Executive Directors can be appointed for a maximum term of three years and can thereafter be reappointed, with due observance of the Articles of Association.

In accordance with Art. 7.2.8 of the Articles of Association and Art. 2.6 of the Board Rules, if the seat of the Executive Director is vacant or he is unable to act, the Non-Executive Directors will temporarily be entrusted with the executive management of the Company, unless the Board provides for a temporary replacement.

## **SENIOR NON-EXECUTIVE DIRECTOR AND VICE CHAIRMAN**

The Senior Non-Executive Director is primarily responsible for ensuring that:

- there is sufficient time for deliberation and decision-making by the Board;
- the Directors receive all information that is necessary for the proper performance of their duties in a timely fashion;
- the Board and its committees function properly;
- the Board designates one of the Non-Executive Directors as Vice-Chairman;



- the performance of the Directors is assessed at least annually;
- the Directors follow their introduction, education or training programme;
- the Board performs activities in respect of culture;
- signs from the Business are recognised and any actual or suspected material misconduct and irregularities are reported to the Board without delay; and
- effective communication with shareholders is assured.

Anyone who previously held the office of Executive Director cannot hold the position of Senior Non-Executive Director.

The Senior Non-Executive Director must be independent pursuant to Best Practice provision 2.1.8 of the Code and cannot be chairman of the Audit Committee or the Remuneration and Nomination Committee.



The Board of Directors of 27 April 2023, following the appointment of the Board of Directors with the General Meeting resolution of 20 April 2023, appointed the Non-Executive Director Adriana Lamberto Floristan as Senior Non-Executive Director with the role of chairing the Board of Directors pursuant to Dutch law (Article 2:129a of the Dutch Civil Code), in compliance with Best Practice provision 2.1.9 of the Code and in compliance with the Articles of Association and Art. 2.3.7 of the Board Rules.

The Board may appoint one or more Vice-Chairmen and determine their term of office. The Vice-Chairman deputises for the Senior Non-Executive Director in the event that the position of Senior Non-Executive Director is vacant or if the Senior Non-Executive Director is unable to act.

The Vice-Chairman shall act as point of contact for Directors concerning the functioning of the Senior Non-Executive Director.

## **NON-EXECUTIVE DIRECTORS**

The Non-Executive Directors supervise the Executive Director's policy and performance of duties, the Company's general affairs and its business and provide advice to the Executive Director.

Non-Executive Directors supervise at least the following key elements:

- developing a general strategy, including the formulation of the strategy for realising long-term sustainable value creation, and taking into account risks connected to the Cementir Group's business activities;
- ensuring compliance with all relevant laws and regulations, the Articles of Association and good corporate governance practice;
- satisfying the integrity and quality of financial and sustainability reporting, ensuring the adequacy of financial controls and risk management systems; and
- reviewing the performance of the Board as a whole, each Director individually, and the committees of the Board.

A Non-Executive Director can be appointed for a maximum term of three years and can thereafter be reappointed, with due observance of the Articles of Association. In accordance with Art. 7.2.9 of the Articles of Association, if the seat of a Non-Executive Director is vacant or upon the inability of a Non-Executive Director to act, the remaining Non-Executive Director or Non-Executive Directors shall temporarily be entrusted with the performance of the duties and the exercise of the authorities of that Non-Executive Director; the Board may, however, provide for a temporary replacement. If the seats of all Non-Executive Directors are vacant or upon inability of all Non-Executive Directors or the sole Non-Executive Director to act, as the case may be, the General Meeting shall be authorised to temporarily entrust the performance of the duties and the exercise of the authorities of Non-Executive Directors to one or more other individuals. The Board may entrust one or more Non-Executive Directors to execute a resolution made by the Board with all necessary powers, including the right to sub-delegate, without prejudice to their duties and responsibilities.

Non-Executive Directors scheduled the yearly meeting recommended by Best Practice provisions of the Code prior to the Board meeting of 11 March 2024. The contents of the supervisory activity carried out continuously during the financial year, especially during the meetings of the Board of Directors and, for its members, of the Board Committees, were examined and approved and subsequently reported in the annual report drawn up pursuant to Best Practice provision 5.1.5 of



the Code. The independent directors met in the absence of the other directors on 4 November 2024 to further share common issues.

## **DIVERSITY POLICY**

The Company's Board of Directors approved the Diversity Policy on 13 November 2019, following the transfer of the Company's registered office to the Netherlands. At the same time, the Profile of the Board was approved pursuant to and for the purposes of the provisions of Section 2.1.1 of the Code. Both have been the subject of subsequent updates.

The Diversity Policy and the Board Profile are both available on the Company's website pursuant to Best Practice provision 2.1.5 of the Code.

For further information, please refer to the Social Information.

## **CONFLICT OF INTEREST**

Any conflict of interest between the Company and Directors must be prevented. The Board is responsible for dealing with any conflicts of interest that Directors or majority shareholders may have in relation to the Company.

Directors must be alert to conflicts of interest and may not:

- compete with the Company;
- demand or accept substantial gifts from the Company for themselves or their spouse, recognised partner or other life companion, foster child or relative by blood or marriage up to the second degree;
- provide unjustified advantages to third parties at the Company's expense; or
- take advantage of business opportunities that the Company is entitled to, for themselves or for their spouse, recognised partner or other life companion, foster child or relative by blood or marriage up to the second degree.

A Director other than the Senior Non-Executive Director or Vice-Chairman must, without delay, report any conflict of interest or potential conflict of interest to the Senior Non-Executive Director, or in the Senior Non-Executive Director's absence, the Vice-Chairman. The Senior Non-Executive Director must, without delay, report any conflict of interest or potential conflict of interest to the Vice-Chairman or, in the Vice-Chairman's absence, to the other Directors. The Vice-Chairman must, without delay, report any conflict of interest or potential conflict of interest to the Senior Non-Executive Director or, in the Senior Non-Executive Director's absence, to the other Directors. The Director must provide all relevant information, including any relevant information concerning his or her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree.

The Board decides whether a Director has a conflict of interest, without the Director concerned being present.

A Director may not participate in the Board's or a committee's deliberations and decision-making process on a subject where the Director is found to have a conflict of interest. This rule doesn't apply when the entire Board is unable to adopt a resolution as a result of all Directors being unable to participate in the deliberations and decision-making process due to a conflict of interest.



During 2024 no transactions in conflict of interest with Directors and/or majority shareholders were reported or took place.



## **BOARD COMMITTEES**

### **Audit Committee**

By resolution of 27 April 2023, the Board of Directors, elected by the General Meeting of 20 April 2023, appointed the Audit Committee. The duties and responsibilities of the Audit Committee are defined in the relevant Charter (published on the Company's website) approved by the Board of Directors pursuant to Art. 7.1.4 of the Articles of Association and updated on 27 April 2023.

The Audit Committee consists of three members: 1. Benedetta Navarra (Chairman, expert in financial reporting), 2. Annalisa Pescatori, 3. Adriana Lamberto Floristan.

All members of the Audit Committee are independent pursuant to Best Practice provision 2.1.8 of the Code.

The Audit Committee prepares the decision-making of the Board regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.

The Audit Committee focuses on monitoring the Board of Directors, among others, in the following matters:

- relations with the internal and external auditors, and compliance with and follow-up on their recommendations and comments.

The internal audit function has sufficient resources to execute the internal audit plan and has access to information that is important for the performance of its work. The internal audit function has direct access to the Audit Committee and the external auditor. Records are kept of how the Audit Committee is informed by the internal audit function.

The internal audit function reports its audit results to the Board and the Audit Committee and informs the external auditor. The findings of the internal audit function include the following:

- any flaws in the effectiveness of the internal risk management and control systems;
  - any findings and observations with a material impact on the risk profile of the Company and its subsidiaries; and
  - any failings in the follow-up of recommendations made by the internal audit function.
- the Company's funding;
  - the Company's tax policy.

In addition, the Audit Committee carries out the following duties:

- recommending persons for appointment as senior internal auditor;
- annually forming a position on how the internal audit function fulfils its responsibility. The Board discusses the effectiveness of the design and operation of the internal risk management and control systems referred to in Best Practice provisions 1.2.1 through 1.2.3 of the Code with the Audit Committee;
- if the Company does not have an internal audit department, recommending annually to the Board whether adequate alternative measures have been taken. The Board includes the conclusions, along with any resulting recommendations and alternative measures, in the Board's report;



- reporting annually to the Board on the functioning of, and the developments in, the relationship with the external auditor. The Audit Committee advises the Board regarding the external auditor's nomination for appointment/reappointment or dismissal and prepares the selection of the external auditor. The Audit Committee gives due consideration to the Board's observations during this process. Based on this, among other things, the Board determines its nomination for the appointment of the external auditor to the General Meeting;
- submitting a proposal to the Board for the external auditor's engagement to audit the annual accounts. The Board plays a facilitating role in this process. In formulating the terms of engagement, attention is paid to the scope of the audit, the materiality to be used and the remuneration for the audit. The Board takes the decision on the engagement. If a new external auditor is to be engaged by the Company the Audit Committee motivates the proposal. The proposal states at least two options for a possible external auditor to be engaged by the Company and explains the Audit Committee's preferred option. The proposal furthermore states that the decision-making of the Audit Committee in this regard is not influenced by any third party or by any agreement;
- annually discussing the draft audit plan with the external auditor, including:
  - the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the external auditor in the audit plan; and
  - based also on the documents used to develop the audit plan, the findings and outcome of the audit work carried out on the annual accounts and the management letter;
- determining whether and, if so, how the external auditor is involved in the content and publication of financial reports other than the annual accounts; and
- meeting with the external auditor as often as it considers necessary, but at least once a year, without Executive Directors being present.

The Audit Committee also carries out the following duties:

- monitoring the financial reporting process and drawing up proposals to safeguard the integrity of this process;
- monitoring the effectiveness of the internal control systems, the internal audit function and risk management systems with regard to the Company's financial reporting;
- monitoring the statutory audit of the annual accounts and the consolidated annual accounts;
- assessing and monitoring the independence of the external auditor or the audit firm, as applicable, specifically taking into account the extension of ancillary services to the Company; and
- determining the selection process for the external auditor or the audit firm, as applicable of the Company and the nomination to extend the assignment to carry out the statutory audit.

The Audit Committee reports on its deliberations and findings to the Board. This report includes information on how the duties of the Audit Committee were carried out in the financial year, and also reports on the composition of the Audit Committee, the number of meetings of the Audit Committee and the main items discussed at those meetings.

This report also includes the following information:

- the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems referred to in Best Practice provisions 1.2.1 through 1.2.3 of the Code;
- the methods used to assess the effectiveness of the internal and external audit processes;
- material considerations regarding financial reporting; and





- the way material risks and uncertainties referred to in Best Practice provisions 1.4.2 and 1.4.3 of the Code have been analysed and discussed, along with a description of the most important findings of the Audit Committee.

In particular, the Audit Committee reports on the results of the annual statutory audit to the Board. This report includes information on how the audit has contributed to the integrity of the financial reporting, and also addresses the role of the Audit Committee in the audit.

During 2024, the Audit Committee met 4 times. The attendance of the members to the Audit Committee meetings is shown in “Table B - Attendance” in the paragraph “Role of the Board of Directors”.

During these meetings, the Audit Committee examined and discussed, among other things, the 2023 financial statements, the half-year financial report and the quarterly financial results for 2024 of the Cementir Group; the Audit Committee also examined and discussed the activities carried out by the Internal Audit function and the Ethics Committee during 2023; examined the activities of the Internal Audit function referring to the first quarter and half-year of 2024, agreeing on methods and timing for the receipt of periodic or event-based information, with particular reference to significant events subject to audits, whistleblowing reports and litigation; the Audit Committee then examined the Audit Plan prepared by the Internal Audit function for 2025, in accordance with Best Practice provision 1.3.3 of the Code, together with the budget for that function for the same year. It also examined the Group's Enterprise Risk Assessment. The Audit Committee also reviewed and discussed the external auditor's report on the audit work performed on the 2023 financial statements, the Audit Plan prepared by the external auditor, and reviewed and discussed the external auditor's non-audit services and related network pursuant to the "procedure for the assignment of non-audit services to the external audit company and related network"; gave a favourable opinion on the board's approval of the policy for the regulation of lobbying activities and political contributions, the Audit Manual and the Internal Audit Charter; finally, followed the CSRD preparation and implementation activities. The Audit Committee then examined and discussed the reports prepared for the Board of Directors of the Company pursuant to Best Practice provision 1.5.3 of the Code, as well as the annual assessment carried out by the members of the Audit Committee pursuant to Best Practice provision 2.2.6 of the Code.

The Audit Committee periodically reported to the Board of Directors on the activities carried out.

The Audit Committee examined the financial documentation with the Group Chief Financial Officer, who attended the Committee meetings. The Audit Committee met the external auditor at all four meetings held during the year, at which, in the presence of the Group Chief Financial Officer, it examined, among other things, the annual financial statements, the report of the external auditor concerning the audit work carried out on the 2023 financial statements and also discussed the audit plan prepared by the same external auditor.

The Audit Committee received updates on legal matters by the Group General Counsel of the Company attending all the meetings. Internal Audit activity was reviewed on a regular basis with the Group Chief Internal Audit Officer also attending all the meetings and discussing with the Committee the main findings and remediating actions.



## Remuneration and Nomination Committee

By means of the resolution adopted on 27 April 2023, the newly elected Board of Directors combined the roles of the remuneration committee and the selection and appointment committee in one committee, by appointing the Remuneration and Nomination Committee.

The duties and the responsibilities of the Remuneration and Nomination Committee are set out in the related charter (published on the Company website) adopted by the Board of Director pursuant to Art. 7.1.4 of the Articles of Association and updated on 27 April 2023.

The Remuneration and Nomination Committee consists of three members: 1. Annalisa Pescatori (Chairman), 2. Benedetta Navarra, 3. Adriana Lamberto Floristan.

All the members of the Remuneration and Nomination Committee are independent pursuant to Best Practice provision 2.1.8 of the Code.

The Remuneration and Nomination Committee prepares the Board's decision-making (including, if applicable, proposals of the Board for the General Meeting) regarding the determination of the remuneration of individual Directors, including severance payments.

The Remuneration and Nomination Committee submits a proposal to the Board (including, if applicable, proposals of the Board for the General Meeting) concerning the remuneration of each Director. The proposal is drawn up according to the remuneration policy that has been established and, in any event, covers:

- the objectives of the strategy for the implementation of long-term sustainable value creation within the meaning of Best Practice provision 1.1.1 of the Code;
- the scenario analyses carried out in advance;
- the pay ratios within the Company and the Business;
- the development of the market price of the shares;
- an appropriate ratio between the variable and fixed remuneration components. The variable remuneration component is linked to measurable performance criteria determined in advance, which are predominantly long-term in character;
- if shares are being awarded, the terms and conditions governing this. Shares should be held for at least five years after they are awarded; and
- if share options are being awarded, the terms and conditions governing this and the terms and conditions for exercising the share options. Share options may not be exercised during the first three years after they have been awarded.

The Remuneration and Nomination Committee also prepares the Board's decision-making (including, if applicable, proposals of the Board for the General Meeting) regarding:

- the drawing up of selection criteria and appointment procedures for Executive Directors and Non-Executive Directors;
- the periodical assessment of the size and composition of the Board, and the making of proposal for a composition profile of the Board;
- the periodical assessment of the performance of individual Executive Directors and Non-Executive Directors and reporting this to the Board;
- the drawing up of a plan for the succession of Executive Directors and Non-Executive Directors;
- the proposal for appointment and reappointment of Executive Directors and Non-Executive Directors;
- the supervision of the policy of the Board regarding the selection criteria and appointment procedures for senior management; and



- the development of the Company's diversity and inclusion policy for the composition of the Board and for certain categories of senior management determined by the Board.

The Remuneration and Nomination Committee reports on its deliberations and findings to the Board. This report includes information on how the duties of the Remuneration and Nomination Committee were carried out in the financial year, and also reports on the composition of the Remuneration and Nomination Committee, the number of meetings of the Remuneration and Nomination Committee and the main items discussed at those meetings.

The Remuneration and Nomination Committee describes, in a transparent manner, in addition to the matters required by law:

- how the remuneration policy has been implemented in the past financial year;
- how the implementation of the remuneration policy contributes to long-term sustainable value creation;
- how scenario analyses were taken into account;
- the pay ratios within the Company and the business segment and any changes in these ratios compared to at least five previous financial years;
- in the event that a Director receives variable remuneration, how this remuneration contributes to long-term sustainable value creation, the measurable performance criteria determined in advance and on which the variable remuneration depends, and the relationship between the remuneration and performance; and
- in the event that a current or former Director receives a severance payment, the reason for this payment.

The main elements of the agreement of an Executive Director with the Company are to be published on the Company's website in a transparent overview after the agreement has been concluded, and in any event no later than the date of the notice calling the General Meeting where the appointment of the Executive Director will be proposed.

During 2024, the Remuneration and Nomination Committee met 3 times. The percentage of the attendance of the members to the Remuneration and Nomination Committee meetings are shown in "Table B - Attendance" in paragraph "Role of the Board of Directors".

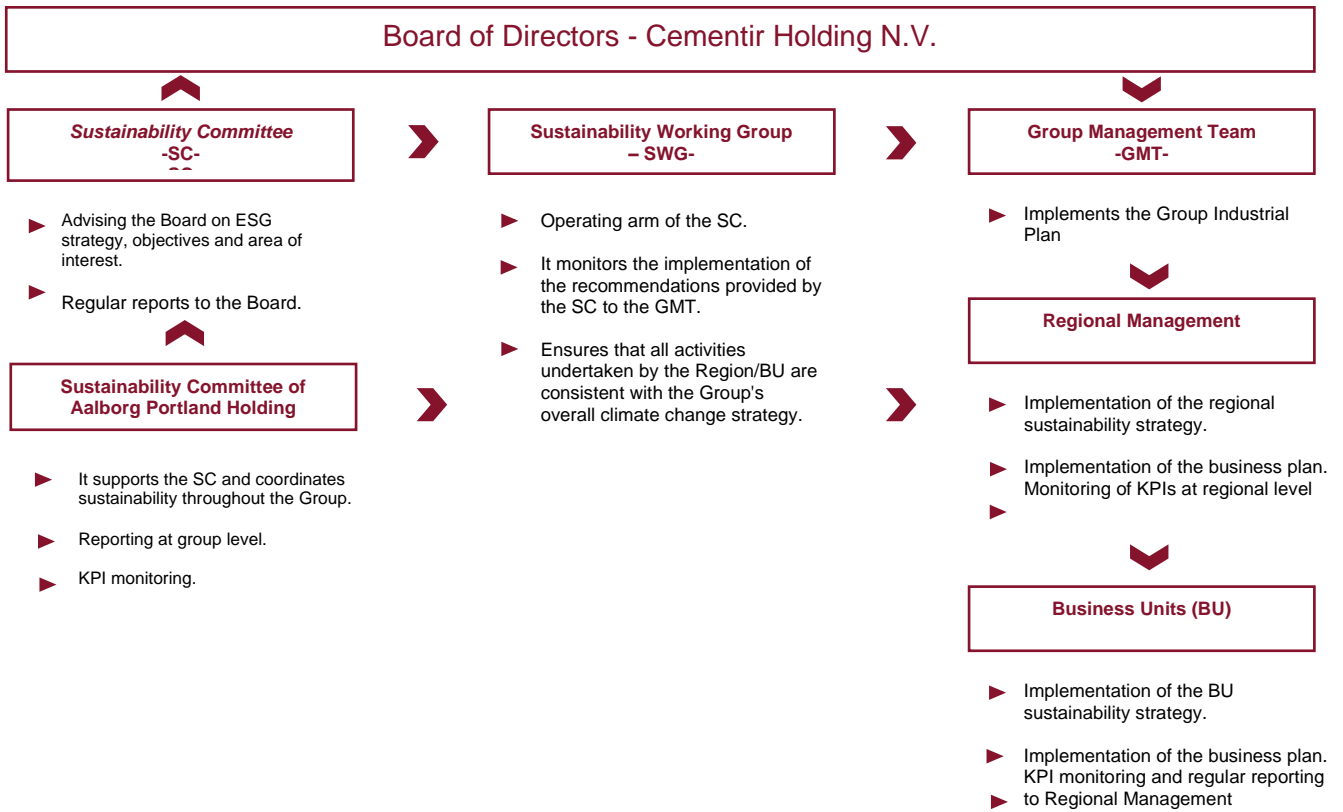
During these meetings, the Remuneration and Nomination Committee examined and discussed, among other things, the remuneration policy and the report on remuneration drawn up in accordance with Art. 2:135a of the Dutch Civil Code and Best Practice provision 3.1 and following of the Code, and the report concerning the activity carried out by the Committee in 2023, drawn up in accordance with Best Practice provision 2.3.5 of the Code and presented to the Company's Board of Directors; discussed the annual assessment carried out by the members of the Committee pursuant to Best Practice provision 2.2.6 of the Code; discussed and verified the independence requirements in the context of the review of the requirements for membership in the Euronext Star Milan segment; verified the achievement of the gender diversity targets set for 2023 and approved the proposed D&I targets for 2024, determined in accordance with current legislation, to be submitted to the Board of Directors for approval; also examined and discussed the state of implementation of the LTI plans with particular reference to the payment of the fees provided for on the basis of the 2021-2023 LTI Plan as well as the allocation criteria and the setting of the objectives relating to the 2024-2026 LTI Plan; also examined the assigned ESG objectives included in the STI Plan; finally, received the periodic update on the Succession Plan for the Company's personnel.



The meetings were always attended by the Group General Counsel and the Group Chief Human Resources Officer was also invited for all matters of relevance.

Further details of the activities of the Remuneration and Nomination Committee are included in the Remuneration Report section included elsewhere in this report.

### Sustainability Committee and Sustainability Governance System



Everyone, from the top of the chain of command to employees in plants around the world, is involved in implementing good sustainability practices. Various actors within the Group, mainly those included in the diagram, contribute to a disciplined approach to sustainability management.

In the context of the Company's and the Group's ever-increasing commitment to sustainability and compliance with demanding and challenging objectives, for the first time, on 28 July 2021 and, most recently, with a resolution of 27 April 2023, following the renewal of the entire Board by the General Meeting of 20 April 2023, the Board of Directors established the Sustainability Committee in its current composition. The Sustainability Committee reinforces the Group's Sustainability Governance by integrating a Parent Company-level committee into the existing Sustainability Committee established in 2019 within Aalborg Portland Holding A/S (hereafter "APH Sustainability Committee") shown in the chart above. The Group Sustainability Committee plays the key role of assisting Cementir Holding's Board in formulating and implementing a sustainability strategy for the



creation of long-term value for Cementir Holding and the Group. It also supports the Company Board in promoting a healthy, safe and secure environment for stakeholders, sustainable development and social responsibility. The Group Sustainability Committee reviews, evaluates and makes recommendations to the Cementir Holding Board and other Group bodies such as the Remuneration Committee on sustainability objectives to incentivise management at Group, regional and BU level. It acts as delegated by the Board of Cementir Holding on global and local sustainability matters, including the definition, monitoring, evaluation and reporting of policies and practices, management standards, strategy, performance and governance. In addition, it regularly interfaces with the APH Sustainability Committee, the Sustainability Working Group (hereinafter "SWG") and the Group Management Team (hereinafter "GMT") and submits regular reports to the Board of Directors.

The duties and the responsibilities of the Sustainability Committee are set out in the related charter (published on the Company website) adopted by the Board of Director on 28 July 2021 pursuant to and for the purposes of the provisions of Art. 3.3 of the Board Rules ("Ad hoc committees").

The Sustainability Committee is currently made up of: 1. Francesco Caltagirone (Chairman), 2. Benedetta Navarra, 3. Annalisa Pescatori, 4. Adriana Lamberto Floristan.

According to the Sustainability Committee Charter, the majority of its members is represented by non-executive and independent directors.

The Sustainability Committee prepares the decision-making process of the Board of Directors in formulating and implementing a strategy in line with a view on long-term value creation for Cementir Holding NV and its subsidiaries, regarding the development and promotion of a healthy, safe and secure environment for the Company's stakeholders, as well as sustainable development and social responsibility, and prepares any related decision-making at Board level.

The main task of the Sustainability Committee is to develop the Group's sustainability strategy.

Specifically, it:

- assists and advises the Board on its supervision of the Group's policies, programmes and related risks concerning sustainability matters (including, but not limited to) sustainability matters related to public issues relevant to the Group and its stakeholders that may affect the Group's business, strategy, operations, performance or reputation;
- receives regular reporting from any subsidiaries' Sustainability Committees and the Sustainability Working Group, respectively, to collect any required information and to provide the Board with the required insights and advise;
- provides regular reporting to the Board;
- acts under any authority delegated by the Board relating to global and local sustainability matters, including with respect to setting out, monitoring, evaluating and reporting on policies and practices, management standards, strategy, performance and governance;
- reviews and approves goals and guidelines for environmental, social and governance compliance, aligned with the Group's commitments and legal requirements;
- reviews, discusses and proposes the Group's sustainability initiatives and engagement;
- assists in the Board supervision of risks relating to sustainability matters overseen by the Sustainability Committee;
- review, assesses and makes recommendations:
  - to the Board as to the Group's non-financial reporting and annual Sustainability Report;



- to the Board and to other Group bodies such as subsidiaries' Sustainability Committee and/or Group Management Team regarding any sustainable development policy, including overall strategy or specific guidelines, management standards, key performance indicators of the Group relating to sustainability-related issues with the aim of ensuring that Group's policies and procedures are in line with best practice;
- to the Board and to other Group bodies such as the Nomination and Remuneration Committee on sustainability-related targets for management incentives at Group, region and BU level;
- recommends to the Board health and safety targets for the Company and the Group;
- supports the development of a health and safety culture in the Company and the Group also through its management;
- annually provides reports of its actions to the Board and makes recommendations to the Board and to other Group bodies as it considers appropriate;
- reviews and assesses the adequacy of the Sustainability Charter and recommends to the Board any improvements to the Charter that the Sustainability Committee considers necessary or appropriate;
- undertakes such other responsibilities or tasks within sustainability matters as the Board may delegate or assign from time to time to the Sustainability Committee.

The Sustainability Committee, according to the respective Charter, meets at least twice a year; during 2024, the Sustainability Committee met three times.

The percentage of the attendance of the members to the Sustainability Committee meetings are shown in "Table B - Attendance" in paragraph "Role of the Board of Directors".

During these meetings, the Sustainability Committee examined and discussed, among other things, the Cementir Group's Sustainability Report-Non-Financial Statement 2023, and resolved to propose it to the Board for approval with a favourable opinion; examined and approved the report on the activities carried out by the Committee during 2023, submitted to the Company's Board of Directors; received updates on the ongoing Carbon Capture and Storage projects, the validation of short- and long-term CO2 reduction targets by Science Based Targets (SBTi), the Carbon Border Adjustment Mechanism (CBAM), water management targets, and the Sustainability Monitoring-Reporting-Verification (MRV) system under evaluation in Türkiye; finally, it monitored the preparation and implementation of the CSRD and approved the double materiality matrix. All meetings were attended by the Group General Counsel, also acting as secretary of the committee, as well as the Group Chief Internal Audit Officer and the Group Chief Operating Officer, with the additional participation of the Group Chief Financial Officer for CSRD matters.

The APH Sustainability Committee is currently chaired by the Chairman of Aalborg Portland Holding A/S (hereinafter "APH") and defines the Group's guidelines and commitment to sustainability. The APH Sustainability Committee meets at least quarterly, taking over all responsibilities or tasks related to sustainability issues, with the main task of developing a Group Sustainability Strategy. The purpose of the APH Sustainability Committee is to provide regular reports to the APH Board and to assist and advise the APH Board in overseeing the Group's policies and programmes and related risks, in whatever way they relate to sustainability issues. It acts under the authority delegated by the APH Board in relation to the definition, monitoring, evaluation and reporting of policies and practices, management standards, strategy, performance and governance, in relation to global and local sustainability issues, involving the Group, and interfaces regularly with the Sustainability Department, the SWG and the GMT to gather all necessary information and provide insights and advice as required.



In 2020, the Sustainability Working Group (SWG) was established. The SWG is now the operational arm of the Group Sustainability Committee. On a monthly basis, the SWG monitors the implementation of the recommendations provided by the Group Sustainability Committee to the GMT. It must also ensure that all activities undertaken by each Region and business unit are consistent with the Group's overall climate change strategy. Each region and business unit must report and agree with the SWG on any activities undertaken locally with business associations, policy makers or local communities. The GMT, consisting of Group COO, CFO, Sales Officer, Procurement Officer, Technical Coordinator Officer, Information Technology Officer and Head of Regions, supports the Group CEO's decisions on relevant issues, sets operational guidelines and plays a key role in ensuring that sustainability efforts are aligned with business and economic objectives. Group management is primarily responsible for internal controls and risk management activities; it is supported by the second-level control functions in defining appropriate risk management and control systems according to their respective levels of responsibility (e.g. EHS, anti-corruption, antitrust and privacy). Responsibility for the Group's strategy remains with the Parent Company Board, which sets the overall strategy, and approves the performance objectives and targets for the Group as well as the Group's annual non-financial information. The Parent Company Board defines, implements and maintains the guidelines of the risk management and control system, so that the main risks associated with the strategy and activities of the entire Group, strategic, operational, compliance and reporting risks, are correctly identified and adequately measured, managed and monitored, and also determines the level of compatibility of these risks with the Company's management in a manner consistent with its strategic objectives, establishing risk appetite and mitigation measures. Furthermore, the Parent Company's Board, with the support of the Audit Committee, reviews and evaluates the adequacy of the Internal Control and Risk Management System at least once a year, including in the assessment aspects concerning climate and other environmental and social considerations, taking into account the characteristics of the Company and its risk profile, as well as its effectiveness. Attention should be paid, in particular, to any weaknesses, instances of misconduct and irregularities, whistleblowers, lessons learned and findings of the internal audit functions and external auditors. Since 2012, the Cementir Group has approved a Corporate Social Responsibility Policy that sets out the values that the Group must apply in terms of social and environmental responsibility; it also decided to voluntarily share its sustainable development policy by publishing an Environmental Sustainability Report well before it was required by law. Industrial decisions concerning major industrial investments, acquisitions and/or disposals, including climate and other environmental and social considerations, are subject to approval by internal bodies (GMT and Group Investment Committee<sup>1</sup>) and then to approval by the Board, in accordance with relevant Group policies.

Composition of sustainability bodies		
<u>Group Sustainability Committee (within the Board of Cementir Holding)</u>	<u>APH Sustainability Committee (within Aalborg Portland Holding A/S)</u>	<u>Sustainability Working Group (SWG)</u>
Group Chairman and CEO	Group Chairman and CEO	Group Chief Operating Officer
Independent Non-Executive Director	Chairman of Aalborg Portland Holding A/S	Group Chief Internal Audit Officer
Independent Non-Executive Director	Chairman of Compagnie des Ciments Belges SA	Group Chief Technical Coordination Officer

<sup>1</sup> 2 The Group Investment Committee is responsible for the authorisation and monitoring of the Group Investment Plan. The Committee consists of the Group CEO, the Group COO, the CFO, the Information Technology Officer, the Head of Regions and the Investment Director.



Independent Non-Executive Director	Group Chief Operating Officer	Group Chief Sales & Marketing Officer
	Group Investor Relations Officer	Group Sustainability and R&D Director
	Group General Counsel	Head of Nordic & Baltic Region
	Group Chief Internal Audit Officer	Chief Executive Officer Belgium
	Group Chief Technical Coordination Officer	
	Head of Nordic & Baltic Region	
	Chief Executive Officer Belgium	





## **REMUNERATION OF THE BOARD OF DIRECTORS**

Details of the remuneration of the Board of Directors and its committees are set forth within the section “Remuneration Report”.

## **GENERAL MEETING**

The annual General Meeting shall be held each year no later than six months after the end of the financial year of the Company. The purpose of the annual General Meeting is to discuss, inter alia, the annual report, the adoption of the annual accounts, allocation of profits (including the proposal to distribute dividends), release of members of the Board of Directors from liability for their management and supervision, and other proposals brought up for discussion by the Board of Directors.

### **Convening of the General Meetings**

General Meetings are convened by the Board.

Shareholders solely or jointly representing at least ten percent (10%) of the issued share capital may request the Board in writing, setting out in detail the matters to be discussed, to convene a Cementir Holding General Meeting. If the Board of Directors fails to call a meeting, then such shareholders may, at their request, be authorised by the preliminary relief judge of the district court to convene a General Meeting of Cementir Holding.

Cementir Holding General Meetings shall be held in Amsterdam or Haarlemmermeer (Schiphol Airport), the Netherlands, and shall be called by the Board of Directors in such manner as is required to comply with the law and the applicable stock exchange regulations, not later than on the forty-second day prior to the day of the meeting. The notice convening a General Meeting is issued in accordance with Dutch law and by a public announcement in electronic form which can be directly and continuously accessed until the General Meeting.

An item requested in writing by one or more shareholders solely or jointly representing at least three percent (3%) of the issued share capital, must be included in the notice of the General Meeting or announced in the same manner, if the Company has received the request, including the reasons, no later than on the day prescribed by law. The Board has the right not to place proposals from persons mentioned above on the agenda if the Board judges them to be evidently not in the interest of the Company.

The notice shall state the place, date and hour and the agenda of the meeting as well as the other data required by law.

The agenda of the annual Cementir Holding General Meeting shall contain, inter alia, the following items:

- adoption of the annual accounts;
- the remuneration policy and the remuneration report;
- the policy of the Company on additions to reserves and on dividends, if any;
- granting of discharge to the Directors in respect of the performance of their duties in the relevant financial year;



- the appointment of Directors;
- if applicable, the proposal to pay a dividend;
- if applicable, discussion of any substantial change in the corporate governance structure of the Company; and
- any matters decided upon by the person(s) convening the meeting and any matters placed on the agenda with due observance of applicable Dutch law.

In addition, the approval of the General Meeting is required for resolutions of the Board regarding an important change in the identity or character of the Company or its associated business enterprise, including in any event:

- the transfer of the business, or almost all of the business, to a third party;
- concluding or cancelling a long-lasting cooperation of the Company or a subsidiary with another legal person or company or as a fully liable general partner in a partnership, provided that the cooperation or cancellation is of material significance to the Company; and
- the acquisition or disposal of a participating interest in the share capital of a company with a value of at least one third (1/3) of the Company's assets, according to the consolidated balance sheet with explanatory notes, always according to the last adopted annual accounts of the Company.

The Board of Directors shall provide the General Meeting all requested information, unless this would be contrary to an overriding interest of the Company. If the Board of Directors invokes an overriding interest, it must give reasons.

When convening a General Meeting, the Board of Directors shall determine that, for the purpose of Art. 8.4 of the Articles of Association, persons with the right to vote or attend meetings shall be considered those persons who have these rights at the twenty-eighth day prior to the day of the meeting (the "Record Date") and are registered as such in a register to be designated by the Board of Directors for such purpose, irrespective of whether they will have these rights at the date of the meeting. In addition to the Record Date, the notice of the meeting shall further state how shareholders and other parties with meeting rights may be registered and how those rights can be exercised.

Each shareholder can be represented by a written proxy, to take part in, address and, to the extent he/she is entitled, to vote at the General Meeting using electronic means of communication, provided that such person can be identified via the same electronic means and is able to directly observe the proceedings and, to the extent he/she is entitled, to vote at the General Meeting. In that case, the proxy must have been received by the Company no later than on the date determined by the Board in the notice.

### **Order of discussion and decision-making**

The annual General Meeting is chaired by:

- (a) the Chairman; or
- (b) if the Chairman is absent, by the Senior Non-Executive Director; or
- (c) if the Senior Non-Executive Director is absent, by one of the other Non-Executive Directors designated for that purpose by the Board; or



- (d) if none of the Non-Executive Directors are present at the annual General Meeting, such person appointed by the General Meeting.

The chairman of the General Meeting determines the order of discussion in accordance with the agenda and may limit speaking time or take other measures to ensure that the General Meeting proceeds in an orderly manner.

All issues relating to the proceedings at or concerning the General Meeting are decided by the chairman of the General Meeting. Minutes of the business transacted at the General Meeting must be kept by the secretary of the General Meeting, unless a notarial record of the General Meeting is prepared. Minutes of a General Meeting are adopted and subsequently signed by the chairman and the secretary of the General Meeting. A written confirmation signed by the chairman of the General Meeting stating that the General Meeting has adopted a resolution constitutes valid proof of that resolution towards third parties.

The General Meeting adopts resolutions by a simple majority of votes cast regardless of which part of the issued share capital such votes represent, unless the law or the Articles of Association provide otherwise.

Each share confers the right to cast one vote at the General Meeting. No vote may be cast at the General Meeting for a share held by the Company or one of its subsidiaries. Holders of a right of usufruct or a right of pledge on shares belonging to the Company or its subsidiaries are not excluded from voting if the right of usufruct or the right of pledge was created before the share concerned belonged to the Company or one of its subsidiaries. The Company or a subsidiary may not cast a vote in respect of a share on which it holds a right of usufruct or a right of pledge. The chairman of the General Meeting determines the method of voting. The ruling by the chairman of the General Meeting on the outcome of a vote is decisive. The chairman of the General Meeting shall decide in event of a tie. All disputes concerning voting for which neither the law nor the Articles of Association provide a solution are decided by the chairman of the General Meeting.

The minutes of the General Meeting will be available on the Company website no later than three months after the end of the meeting, after which the shareholders shall have the opportunity to react to the minutes in the following three months. The minutes shall then be adopted in the manner as described in the Articles of Association.

## **CULTURE, LONG-TERM SUSTAINABLE VALUE CREATION AND CODE OF ETHICS**

The Cementir Group's values that contribute to a culture aimed at creating long-term sustainable value, approved by the Board of Directors, are described in the paragraph "Purpose, Vision, Mission and Value" of the Directors' Report to which reference should be made. The culture of the Cementir Group is based on five key values: 1) sustainability; 2) dynamism; 3) quality; 4) value of people; 5) diversity and inclusion. These values translate into a series of virtuous behaviours that foster the professionalism and integrity, availability, respect and cooperation of people both within the Group and in relation to the external context. The culture of the Cementir Group is a vision that has been translated into a tangible model of skills and related behaviours to effectively respond to the expectations of the Cementir Group's stakeholders and, in particular, to the needs of its customers in compliance with a spirit of common identity: One Group Identity.

Cementir's long-term sustainability strategy has been developed through a bottom-up approach over recent years. The functions concerned within the local structures, under the coordination of the Group's top management, have translated individual concepts and notions into a unique and



coherent way of thinking, defining the Group's internal culture and identity, setting precise expectations, objectives and commitments, along the lines provided for by the regulatory framework. Once consolidated, this core framework was then formally reviewed, approved and validated by the Sustainability Committee set up within the group at the level of the Board of the Danish subsidiary and, finally, transferred to the relevant entities for implementation through structured programmes and specific actions with fixed deadlines. Its assumptions and implications, from basic to more extensive, have been summarised in the Group 2024-26 Business Plan, approved by the Company's Board of Directors in February 2024, the 2023 Sustainability Report, approved by the Company Board of Directors in March 2024 and the 2023 Consolidated Group Financial Statements, approved by the General Meeting in April 2024.

Also in 2024, the strategy drawn up by the Chief Executive Officer and submitted to the Board in its entirety for approval in the context of the update of the 2024-2026 Business Plan, was inspired by the aim of long-term sustainable value creation by the Company and the other companies in the group, with particular reference to the "Sustainability Roadmap" detailed in the specific paragraph. Sustainability is clearly one of the main objectives that the Group has set itself and which, by its very nature, implies a process to be carried out in the medium-long term in the interest and for the benefit of the Company, Group, shareholders and stakeholders.

In addition, the same purpose underlies the remuneration policy, to which reference is made for further details. The guidelines of the remuneration policy and the allocation of compensation to employees assign challenging objectives with the main aim of creating sustainable value for shareholders - including minority shareholders - in the medium to long term. Moreover, the specific situation of the Company, in which the Chief Executive Officer is the representative of the majority, as well as a significant shareholder, naturally aligns the interests pursued by the Executive Director with those of shareholders and stakeholders, which coincide in the pursuit of the long-term strategy of value creation.

The Board of Directors is an active promoter of behaviour consistent with the Group's values, not only with the approval of the 2025-2027 Business Plan, updated on 11 February 2025, which incorporates them, but also having given the sustainability roadmap high priority in recent years.

In particular, Cementir Holding believes that long-term sustainable value is realised by focusing on the interests of a large group of stakeholders, each with a distinct purpose, to support a long-term business. Please refer to the specific paragraphs where the initiatives planned and implemented to pursue the Group's sustainability objectives, to be achieved by 2030, are described in detail, covering the priority areas for Cementir. The objectives are linked to Cementir's effort to adopt all necessary measures and the most innovative technology to minimise the impact of the Group's activity on the environment; create a healthy, safe and inclusive working environment; respecting human rights and fostering a constructive and transparent relationship with local communities and business partners. These objectives, set by individual plant and by year, are included in the Business Plan and the short-term incentive system for employees. Cementir also pursues the creation of long-term sustainable value through a Long-Term Incentive Plan in place for its top management.

The Cementir Group has decided to adopt a Code of Ethics to conform and conduct its business activities according to the principles of integrity, honesty and confidentiality and in compliance with the laws and regulations of the countries in which it operates. The Code of Ethics promotes the correct and efficient use of resources in the perspective of corporate, social and environment responsibility, to reconcile the search for competitiveness in the Cementir Group market with respect for rules on competition. The Group, in business dealings, is inspired by and observes the



principles of loyalty, fairness, transparency, efficiency and market orientation, regardless of the importance of the deal.

The ethical principles contained therein are directly and expressly linked to the vision and values of the Group, which operates primarily in the production and sale of cement and ready-mixed concrete with a global presence. The ability to create synergies with other subsidiaries enables Group companies to improve their economic performance by increasing added value for stakeholders. The ability to propose, model and implement innovative and complex highly integrated technology solutions, starting from an understanding of the territory and customer needs, is an integral part of the Group's strategy. Each company in the Group pioneers technologies and standards to consistently reduce their impact; innovating and transforming every new plant acquired or built - in any country - to the highest standards for the protection of workers, the environment and the communities in which the plant is located. In terms of social responsibility, the Group devotes significant resources to different aspects of the life of the community in which it operates: promoting studies; working with the government; protecting the historical and monumental heritage; sponsoring culture and entertainment; taking action to reduce environmental impact.

All actions, transactions and negotiations carried out and, more generally, people's behaviour in their daily tasks, are inspired by the highest accuracy, completeness and transparency of information, legitimacy, both in form and substance, and clarity and accuracy of accounting records in accordance with regulations and internal procedures. To achieve this goal, the Cementir Group requires its employees to comply with the highest standards of business conduct in the performance of their duties, as set in the Code of Ethics and the procedures to which it refers. For these reasons, the Group:

- guarantees that employees who report any violations of the Code of Ethics will not be subject to any form of retaliation;
- takes fair sanctions commensurate to the type of violation of the Code of Ethics, and guarantees its application to all the categories of employees, keeping into account laws, contracts and regulations applicable in the Country in which it operates;
- periodically checks compliance with the Code of Ethics.

The Code of Ethics, updated on 1 June 2020, with the principles and values defined in the Group Policy on respect for Human Rights, is available on the Company's website pursuant to Best Practice provision 2.5.2 of the Code.

The Cementir Group considers the principles of integrity and competition to be fundamental, especially in view of the specific risks that characterise the cement and ready-mixed concrete production sector. The Group's Code of Ethics is the reference document that establishes the conduct that all individuals within the Group and those who work with it must follow. In addition to the Code of Ethics, specific programmes and procedures have been adopted within the individual regions to guarantee the mitigation of these risks and the correct operation of the companies. Periodic training courses are held, which the Group organises to keep the level of focus on this issue constantly high.

## **ETHICS COMMITTEE**

To monitor the constant compliance with the Code of Ethics by the employees of the Company and its subsidiaries and the application of the regulations following the transfer of the registered office,



on 5 October 2019, the Board of Directors resolved, among other things, to establish an Ethics Committee, formed by the Group General Counsel and the Group Chief Internal Audit Officer, which also performs the functions of the Supervisory Board pursuant to Legislative Decree 231/2001.

The Ethics Committee:

- Monitors the dissemination of the Code of Ethics and proposes possible training and awareness-raising measures.
- Submits to the Board of Directors the status of the implementation process of the Code of Ethics, illustrating the programmes and initiatives undertaken to achieve the institutional purposes and the adjustments necessary to ensure its effectiveness and its possible updating, also with respect to changes in the law.
- Provides support in the interpretation of the Code of Ethics.
- Checks for violations.
- Follows up on any reports of non-compliant behaviour.
- Also receives regular reporting on whistleblowing.

## **PROCEDURE FOR REPORTING VIOLATIONS**

On 13 November 2019, the Board of Directors approved the Whistleblowing Management Procedure in accordance with Dutch law and made subsequent updates. The last update took place during 2023 with the creation of an additional dedicated reporting channel, technically managed by a third party with a special IT platform, to further guarantee the confidentiality and protection of the whistleblower. The procedure is available on the Company website pursuant to Best Practice provision 2.6.1 of the Code.

The Company and the Group recognise its importance as an effective tool for preventing unlawful activities and enabling people to exercise their freedom of expression as a fundamental human right. Consequently, employees, collaborators, directors and third parties are able to report - without fear of retaliation or intimidation - any information concerning potential violations, non-compliant or unlawful conduct and practices in relation to applicable legislation, including European Union legislation, the Group's Code of Ethics, internal procedures and the organisational model of the respective companies pursuant to Legislative Decree 231/2001. With the latest update, an additional, dedicated whistleblower channel, managed by a third party via a dedicated IT platform, was created to further ensure the confidentiality and protection of whistleblowers. Further details are available on the company website under Ethics and Compliance.

The receipt, analysis and conduct of audits on reports is carried out by Cementir Holding's Internal Audit team. The results and any potential actions are reviewed by the Ethics Committee; violations are communicated to relevant personnel and functions. Cementir's Audit Committee is regularly updated on the progress of reports. The Chief Executive Officer and the Chairman of the Audit Committee are promptly informed of critical concerns, including those relating to potential and actual negative impacts of the organisation on stakeholders, raised through the whistleblowing mechanisms described above. The Board of Directors can be alerted to any critical concerns at meetings where the Sustainability Report is discussed and approved.



## **POLICY ON BILATERAL CONTACTS WITH SHAREHOLDERS**

On 13 November 2019, the Board of Director adopted, in compliance with the Dutch Law, the Policy on bilateral contacts with shareholders. This policy was updated and revised during the previous year, also in light of the new provisions of the Code in force as of 1 January 2023 and, in particular, provision 4.2.2. This provision has been supplemented by providing that the shareholders and the company are available for dialogue. In particular, the Company should facilitate dialogue unless it is in the interest of the Company and the Group to reject it and shareholders should make themselves available to engage in constructive dialogue and, outside the context of a General Meeting, disclose their full shareholding position at the request of the Company.

These recommendations have therefore been incorporated into the updated version of the policy and, on this occasion, a general review has been carried out. Bilateral contacts with shareholders and potential investors are managed by the Investor Relations department which, by delegation and in agreement with the Chairman and CEO of the Group, discretionarily identifies the shareholders or potential investors with whom to interact, based on the Company's interest.

In order to ensure information symmetry, the Investor Relations function is always present at meetings, even where it is proactively organised by other functions, and the Group Chairman and CEO and/or Group CFO may participate.

The Chairman and CEO of the Cementir Group is the point of contact between investors and the Board.

The policy on bilateral contacts with shareholders is available on the Company's website pursuant to Best Practice provision 4.2.2 of the Code.

Relations with shareholders and financial analysts are handled with a high degree of accuracy and in compliance with the policy, the Code and applicable regulations. By way of example, after the Board of Directors' meetings to approve the periodic financial results, the Company organises conference calls to present these results to the financial community and informs the stakeholders by issuing a press release. It has also included a special section on the Company website dedicated to investor relations where presentations of financial results and press releases are published in accordance with the Best Practice provisions of the Code.

In addition, the Annual General Meeting is the natural event where the Company's shareholders can meet with the Board of Directors and ask questions, participating with their vote in the Company's decisions.

## **GROUP STAKEHOLDER ENGAGEMENT POLICY**

The Group Stakeholder Engagement Policy has been drawn up in accordance with the provisions of the Code in force since January 2023 and the practice that is being defined in this first application period and was approved by the Board of Directors on 6 November 2023. The policy has been published on the Company's website pursuant to Best Practice provision 1.1.5 of the Code.

Among the provisions of the Code, the best practice provision 1.1.5 has been introduced, which recommends the definition of a policy for facilitating dialogue with stakeholders that includes at least the sustainability aspects of the strategy.



The Cementir Group's Stakeholder Engagement Policy recognises that dialogue with stakeholders plays a fundamental role in the success of the Company and the Group and sets as the Group's objective the establishment of a constructive dialogue with stakeholders in order to establish a lasting and effective relationship with them, not limited to sustainability aspects alone.

All employees of the Group are required to acknowledge and comply with this Policy.

The categories of stakeholders with whom the Group interacts and has a stable relationship (at holding or local level) and the tool used to strengthen their involvement have been identified; the updated list is included in the official sustainability report (the Sustainability Report). The impact on stakeholders is considered material when it concerns the actual or potential effects of the Group on people or the environment in the short, medium and/or long term time horizons.

The Chairman and CEO of the Group assesses on a case-by-case basis which stakeholders are relevant to the Company, with whom to enter into dialogue and in what form, and has the power to make changes to the list of stakeholders.

Examples of interaction with stakeholders, such as customers, suppliers, staff, the local community, public institutions and trade associations, are described in paragraph Social Information. The various stakeholders are involved in periodically updating the materiality matrix, which considers as relevant those issues that may have a direct or indirect impact on the Company's ability to establish, maintain or adversely affect the Group's values.

## **GROUP POLICY ON LOBBYING ACTIVITY AND POLITICAL CONTRIBUTIONS**

On 29 July 2024, the Company's Board of Directors approved the Group Policy on Lobbying Activities and Political Contributions.

The aim of the Policy is to provide the principles and guidelines that the Cementir Group must observe when dealing with public authorities, with any type of direct or indirect communication, in order to i) pursue the interests of the Cementir Group with the aim of influencing the process of political deliberation and decision-making; (ii) inform public debate and/or assist public authorities in their decision-making processes on issues of relevance to the Group; (iii) and determine the terms and conditions of any financial contributions to political parties, causes or activities (collectively, "Advocacy Activities"). All in order to ensure that Advocacy Activities take place in a clear, transparent and lawful manner, in light of the disclosure requirements of the CSRD and ESRS standards and in compliance with local laws, internal procedures and Group culture.

The Company remains politically neutral and abstains from donations to political entities, except those expressly approved if and to the extent permitted by local laws.

The Policy applies to all Cementir Group companies and to all Group employees whether they operate directly or indirectly through third parties, respecting fair information, the rights and freedom of expression of stakeholders and the rules of fair competition and management of conflicts of interest. Conduct that may constitute bribery and corruption acts in any form is expressly prohibited.

All Advocacy Activities, with the sole exception of memberships in Chambers of Commerce or industry organisations, are subject to prior approval and must be informed by the principles of transparency and integrity in compliance with laws, policies and procedures of the Group.





## INSIDE INFORMATION

Pursuant to the Market Abuse Regulation (EU No 596/2014), Cementir Holding shall communicate to the public without delay any information that: (i) has a precise character; (ii) has not been made public; (iii) refers directly or indirectly to the Company or the Company's ordinary shares; and (iv) if made public, could have a significant effect on the prices of the Company's common stock or the price of related derivative financial instruments (hereinafter "Inside Information"). In this regard:

"information shall be deemed to be of a precise nature" if: (a) it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred, or which may reasonably be expected to occur and (b) it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instrument. In this respect in the case of a protracted process that is intended to bring about, or that results in particular circumstances or a particular event those future circumstances or that future event, and also the intermediate steps of that process which are connected with bringing about or resulting in those future circumstances or that future event, may be deemed to be precise information;

"information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments and derivative financial instruments" mean information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

An intermediate step in a protracted process shall be deemed to be Inside Information if, by itself, it satisfies the criteria of Inside Information as referred to above.

The above disclosure requirement shall be complied with through the publication of a press release by the Company, in accordance with the modalities set forth under the MAR and Dutch and Italian law, disclosing to the public the relevant Inside Information.

Cementir Holding may, under its own responsibility, delay public disclosure of Inside Information provided that all of the following conditions are met: (a) immediate disclosure could prejudice the legitimate interests of Cementir Holding; (b) the delay in communication would probably not have the effect of misleading the public; (c) Cementir Holding is able to guarantee the confidentiality of such information.

In the case of a prolonged process that occurs in several stages and is intended to cause, or results in, a particular circumstance or event, Cementir Holding may, under its own responsibility, delay the public disclosure of Inside Information related to this process, under the conditions set out in points a), b) and c) above.

Cementir Holding, as well as persons acting on its behalf or on its account, shall draw up and keep regularly updated, a list of all persons who have access to Inside Information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to Inside Information, such as advisers, accountants or credit rating agencies (the "Insider List").

Cementir Holding or any person acting on its behalf or on its account, shall take all reasonable steps to ensure that any person on the Insider List acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of Inside Information.



## CODE OF CONDUCT FOR INTERNAL DEALING

On 13 November 2019, the Board of Directors, in accordance with Dutch law, updated the Code of Conduct for Internal Dealing ("Code of Conduct"), which the Company first adopted on 1 April 2006, and during the financial year the Code of Conduct was further updated. The Code of Conduct guarantees the utmost transparency and consistency of information provided to the market, with regard to reporting obligations and limitations on the purchase, sale, subscription and exchange of Cementir Holding shares carried out by Managers (Company directors and senior executives with regular access to Inside Information relating, directly or indirectly, to the Company and with the power to make managerial decisions affecting the Company's future developments and business prospects) and Persons closely associated with them.

In accordance with European regulations, the Code of Conduct provides for a black-out period for trading in the Company's shares during the 30 calendar days preceding the Company's disclosure to the market of the data contained in the annual financial statements, half-yearly reports, interim management reports (or other comparable financial statements or reports for the period) that the Company is required to publish or has decided to publish.

## DISCLOSURES PURSUANT TO DECREE IMPLEMENTING ART. 10 OF EU DIRECTIVE ON TAKEOVERS

In accordance with the Dutch *Besluit artikel 10 overnamerichtlijn* (the "Decree"), the Company discloses the following:

- (a) Information on the structure of the capital of the Company and the composition of the issued share capital formed entirely by common shares, are detailed in the table here below.

### Share capital structure

	No. shares	Percentage of share capital	Listed
<b>Common shares</b>	159,120,000	100%	Borsa Italiana - Euronext STAR Milan Segment

The authorised share capital of the Company amounts to five hundred million euro (EUR 500,000,000) and is divided into five hundred million (500,000,000) shares, each with a nominal value of one euro (EUR 1).

The issued share capital of the Company at 31 December 2024, subscribed and paid up, amounts to EUR 159,120,000 subdivided into 159,120,000 nominal shares of a nominal value of EUR 1.00 each.

Information on the rights attaching to the ordinary shares is in the Company's Articles of Association, available on the Company's website. In particular, the rights attached to Cementir Holding's ordinary shares include (i) option rights on the issue of ordinary shares; (ii) the right, in person or by proxy authorised in writing, to attend and address the General Meeting; (iii) voting rights and the right to dividend distributions to the extent that the Company's equity exceeds the sum of the paid-up and called-up portion of the capital and reserves that must be maintained by law or the Articles of Association.

- (b) No restrictions apply to transfer of common shares.



- (c) Information on direct and indirect shareholdings in the Company's capital in respect of which notification requirements apply, pursuant to Sections 5:34, 5:35 and 5:43 of the Dutch Financial Supervision Act (Wet op het financieel Toezicht, hereinafter "WFT") is in the Notes to the Financial Statements section, including the shareholders who hold 3% or more of the issued common shares on the basis of information published on the AFM (Stichting Autoriteit Financiële Markten) website and other information at the disposal of the Company.
- (d) No special control rights or other rights accrue to shares in the capital of the Company.
- (e) No employee shareholding scheme has been established as under Art. 1 sub 1(e) of the Decree, so there is no specific procedure for the exercise of voting rights by employees.
- (f) No restrictions apply to voting rights attaching to common shares in the capital of the Company, nor deadlines for exercising voting rights. The Company is not aware of any depository receipts issued for shares in its capital.
- (g) The Company is not aware of any agreements with any shareholder which may result in restrictions on the transfer of shares or limitation of voting rights.
- (h) The rules governing the appointment and replacement of members of the Board of Directors are stated in Art. 7.2 of the Articles of Association and described in letter a) "Composition and nomination of the Board of Directors" above. According to Art. 11 of the Articles of Association a resolution to amend the Articles of Association may only be adopted by the General Meeting at the proposal of the Board. If a proposal to amend the Articles of Association is to be submitted to the General Meeting, it shall be so stated in the notice convening the meeting, and a copy of the proposal containing the text of the proposed amendment shall be held available at the Company's office for inspection by every shareholder and other persons with meeting rights, from the date of the notice convening the General Meeting until the conclusion of such meeting.
- (i) The powers of Board members are detailed in the Articles of Association and in the Board Rules, both available on the Company's website. With particular reference to the power to issue shares, shares are issued pursuant to a Board resolution if the Board has been authorised to do so by a resolution of the General Meeting for a specific period with due observance of applicable statutory provisions. If and insofar as the Board is not authorised as previously referred to, the General Meeting may resolve to issue shares at the proposal of the Board.

The Board may be authorised by the General Meeting to repurchase shares against payment. Authorisations to buy back treasury shares in the 2024 financial year have not been approved and are not in progress.
- (j) The Company is not a party to any significant agreements which will take effect, will be altered or will be terminated upon a change of control of the Company following a public offer within the meaning of Section 5:70 of the WFT, except for a finance agreement signed in 2021 with a pool of banks. Pursuant to this agreement the Company is required to make early repayments if there is a change of the controlling shareholder. The Company's subsidiaries have in place loan contracts that include standard clauses of change of control that are consistent with the commercial practice.
- (k) The Company did not enter into any agreement with a member of the Board or an employee providing for a compensation if they resign or are made redundant without a valid



reason or if they resign, are made redundant or if their employment ceases as a result of a public offer within the meaning of Art. 5:70 of the WFT.

## **COMPLIANCE WITH THE DUTCH CORPORATE GOVERNANCE CODE**

Companies with statutory seat in the Netherlands whose shares are listed on a regulated stock exchange or comparable system are required pursuant to the Code to disclose in their annual report to what extent they apply the Principles and Provisions of Best Practice of the Code and, if they do not apply certain Best Practice provisions, to explain the reasons why they have chosen to deviate.

The Company has a governance structure made up of a one-tier Board (the Board of Directors). Pursuant to chapter 5 of the Code and the related Explanatory Notes, the principles that pertain to the members of the supervisory board are applicable to Non-Executive Directors and the principles that pertain to the members of the management board are applicable to the Executive Director. In addition, the duties and responsibilities set out in section 1 up to including 4 of the Code to the extent they refer to the chairman of a supervisory board, fall in a company with a one-tier board structure, such as Cementir Holding, within the remit of the Non-Executive Directors. As for Cementir Holding, a Senior Non-Executive Director is appointed from among the Non-Executive Directors, who serves as chairman of meetings pursuant to Dutch law (Art. 2:129a of the Dutch Civil Code) and in accordance with Best Practice provision 2.1.9. of the Code, separately from the position of the Chairman and Chief Executive Officer, being the (sole) Executive Director of the Company.

As per the date of approval of the annual financial statements for 2024, Cementir Holding complies with the principles and Best Practice provisions of the Code, subject to the following observations and explanations in respect of each of the Best Practice provisions set out hereunder.

### **Best Practice Provision 2.1.7.**

There are three (3) independent Non-Executive Directors out of a total of seven (7) Non-Executive Directors in office until the approval of the financial statements for the 2024 financial year. Accordingly, they are almost half of the total number of Non-Executive Directors. The other four (4) Non-Executive Directors are related to a shareholder holding ten percent or more of the issued share capital of the Company. In the view of Cementir Holding such board composition is appropriate, as it is consistent with the historical composition of the Board and as it reflects the ownership structure of Cementir Holding, with a shareholder owning a substantial majority of the issued share capital. In this regard, it should furthermore be pointed out that in Cementir Holding's country of origin, where it has a secondary and operational office (Italy), it is customary for a shareholder with a majority participation to also have a majority representation on the board.

### **Best Practice Provision 2.2.2.**

Most of the Non-Executive Directors, who were re-elected for a further three-year term by the Company's Annual General Meeting on 20 April 2023, had already been in office for more than eight years at the time. Cementir Holding believes that renewal beyond the eight-year term set out in this Best Practice provision is appropriate, taking into consideration that, in light of the ownership structure characterising the Company, certain board members are of crucial importance and indispensable for the continuity of the Company and its business. In addition, it may be noted that the provisions of the Code only have become applicable to Cementir Holding as of 5 October 2019.

### **Best Practice Provision 3.4.2.**



The main elements of the contract with the Executive Director were published on the Company's website in the context of the remuneration report.

**Best Practice Provision 4.1.8 and 4.1.9.**

The Non-Executive Directors justified their absence from the Annual General Meeting of 22 April 2024. The Executive Director participated via remote videoconference. The independent auditor also participated via remote videoconference in the General Meeting of 22 April 2024.



## **CORPORATE GOVERNANCE STATEMENT**

The Corporate Governance Statement, provided for under the Dutch *Besluit inhoud bestuursverslag*, can be found on the company's website [www.cementirholding.com](http://www.cementirholding.com).