



# Annual report 2021

Build  
together,  
live together





# Taking action for living better together

Ever since 1817, when Louis Vicat unveiled the mysteries of artificial cement, the Group has been improving the daily lives of us all by coming up with innovative constructive solutions. In recent years, the Group's goal of decreasing its carbon footprint has become an absolute priority.



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Chairman & CEO
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Cover photo:  
Jean Cocteau  
Museum, Menton,  
French Riviera  
(France)

Above:  
Allianz Riviera  
Stadium, Nice  
(France)

**V**icat is a French company founded nearly 170 years ago in the footsteps of Louis Vicat. Today, across 12 countries, the Group lays out a top-class offering of bio-based and mineral construction materials, along with services that meet the needs of the construction trades. Wherever it has cement plants, aggregate quarries, concrete batching plants, and factories manufacturing finishing products for the building industry, Vicat strives to produce locally and in so doing develop employment and the local economy. For some years now, under its commitment to ecological transition, the Group has been reducing the carbon impact of all its businesses and putting the virtues of circular economy into practice. The family-run company cultivates a relationship of confidence with customers, partners, and employees on a daily basis.

## LOUIS VICAT DEMYSTIFIED ARTIFICIAL CEMENT IN 1817



Through the research and experiments he conducted while working on the construction of a bridge in Souillac, in south-west France, Louis Vicat, a young graduate of France's prestigious Polytechnique and Ponts et Chaussées engineering schools, unveiled the secrets of artificial cement. This discovery, for which Louis Vicat chose not to file a patent, was the starting point for the prodigious development of cement. In 1853, Joseph Vicat, a Polytechnique engineer like his father, Louis, fired clayey limestone he believed to be suitable for manufacturing artificial cement. The results proved him right, and he built a cement plant in Genevrey de Vif, in France's Alpine region. The long history of the Vicat group had begun.

**GUY SIDOS**  
Chairman & CEO

“

**We assume our responsibilities  
as industrial operators in confronting  
the climate emergency.**

”

### **How did the Group get through the second year of the health crisis?**

Our top priority was to ensure the wellbeing of our personnel by providing special equipment and continuing to apply strict health measures. Through everyone's commitment, and despite the disturbances around us, Vicat kept on track and obtained sound results. Yet again, our strategy demonstrated our resilience and the effectiveness of our business model built around intimacy with the communities where we work and proximity to local markets. Despite the crisis and its sometimes dramatic consequences, our company has remained dynamic, agile, and human, underpinned by solid roots, and confident in its ability to adapt through inventiveness, conscientious work, and team spirit. By virtue of the solid foundations the Group has enjoyed for close to two hundred years, we are able to tackle the future head on and do everything needed to be net-zero carbon throughout our value chain by 2050. For this, we are putting all our efforts into innovation.

### **What advances has Vicat made in its strategy for adapting business to the issues of climate change?**

To tackle the climate emergency, transitioning toward a more sustainable world is imperative. As an industrial operator, it is our responsibility to minimize the carbon footprint of all our activities and to preserve natural resources through the virtues of circular economy. For some years now, wherever and whenever possible, the Group has been replacing the imported, carbon-based fossil-derived energy

sources traditionally used in the cement manufacturing process with waste-stream energy recovered from end-of-life tires, spent oil, wood from sorting centers, and solid recovered fuel (SRF). An example of this is the joint venture Vicat created with Paprec, a leading French specialist in waste management and repurposing, in June 2021. The new company, ALTèreNATIVE, will as of 2023 operate a plant in Martigues, near Marseilles, that will produce SRF as a substitute for the fossil fuels currently used in Vicat cement plants. And that is not all! We are pursuing other investments, particularly at France's Montalieu-Vercieu facility. The Meteor project, a successful candidate in the call for projects for decarbonizing industry under the *France Relance* recovery plan, is aimed at dispensing entirely with fossil energies in the manufacture of cement. By increasing the use of locally-obtained repurposed waste, it will reduce the plant's carbon-equivalent emissions by an extra 35,000 tons, that is to say by 5%. At the same time, the Group is committed to modernizing and converting all its facilities in the twelve countries where it works. From Ragland, Alabama (United States), to facilities in Kazakhstan, India, Africa, Brazil, and France, our plants count on new equipment exploiting the latest technologies to replace the fossil energies and raw materials used previously. At the Xeuilley plant in France, for example, we are investing in new equipment to boost production of activated clay which, by replacing a certain amount of clinker, means we can produce low-carbon cement and reduce the plant's CO<sub>2</sub> emissions by 48,500 tons every year. Such major changes mean that we are already reducing our carbon footprint.



## What levers is the Group working on?

Innovation, which has been in our blood for more than two hundred years, ever since Louis Vicat unveiled the mechanisms at play in artificial cement, is the crux of ambitious projects involving disruptive technologies applied to several links in our production chain. These include the capture and reuse of CO<sub>2</sub> emitted during the manufacture of cement. For example, Hynamics, a subsidiary of French energy-provider EDF that specializes in production of hydrogen, is working with us on the HyNoVi project to establish a synthetic-methanol production sector in France. Also, together with AlgoSource Technologies, TotalEnergies, and the University of Nantes, Vicat is conducting trials for growing spirulina algae at its Montalieu-Vercieu cement plant; what is known as the CimentAlgue research project makes use of CO<sub>2</sub> drawn from the kiln stack and waste heat from the kiln itself to help produce decarbonized microalgae. Our R&D initiatives have also addressed the development of a new binder that is carbon negative independently of offset measures, the expansion of concrete 3D printing applications, the development of concrete using wood aggregate, and decarbonized haulage of raw materials and finished products.

## Will innovation still be an indicator of achievement in 2022?

By serving our industrial processes, our operating procedures, and our products, Vicat's innovative strength will continue to create industrial and commercial opportunities in a wide range of fields. The pragmatism that characterizes us when it comes to taking on risks combines with our resolve to invest durably in what has built our success, that is to say our workforces, our facilities, and the ecosystems in which we operate. 2022 will also be marked in-house by acceleration of our digital transition, involving the deployment of VicaTogether and collaboration tools for the entire Group. Today, digitalization of processes and services is a strength that makes us more competitive, improves the customer experience, and modernizes organizational structures.

**GUY SIDOS**  
Chairman & CEO

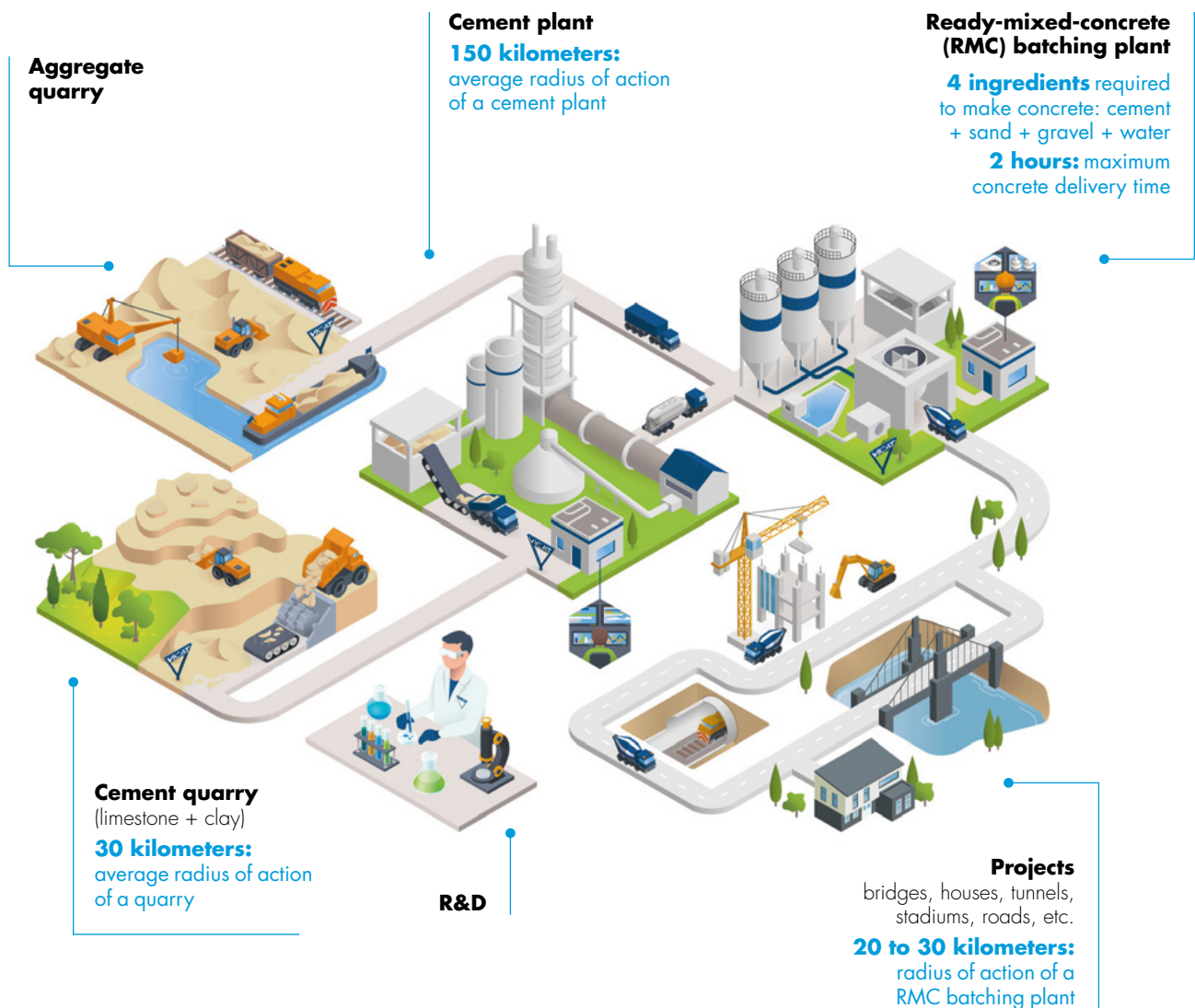


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The Group is able to tackle the future head on and do everything needed to be net-zero carbon throughout its value chain.

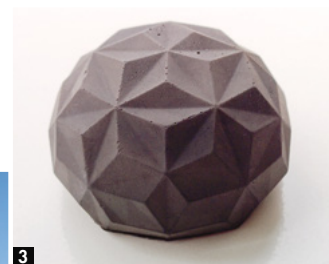
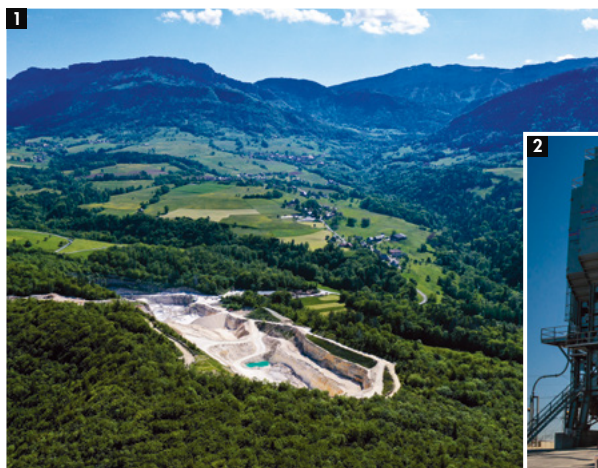
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# Meeting the needs of diversified markets

We propose innovative, sustainable constructive solutions to meet the requirements of our customers and overcome the challenges of construction for a low-carbon world.







- 1** Bellecombe aggregate quarry (France)
- 2** Vernon concrete batching plant, California (United States)
- 3** New zero-carbon binder (France)
- 4** Baştaş Çimento cement plant (Turkey)
- 5** Papers by Papeteries de Vizille (France)



### CEMENT

Cement is a widely available and unrivaled construction material that serves principally to make concrete. Vicat manufactures a wide range of artificial cements, together with a natural quick-setting cement (Prompt), to meet the needs of all those involved in construction.



### CONCRETE

Be it decorative, self-consolidating, pervious, bio-based, or for 3D printing, roads, complex architecture, bridges or tunnels, and everything in between, Vicat markets a comprehensive range of ready-mixed concrete to meet the specific needs of any project and every imperative relating to environmental, quality, and safety concerns.



### AGGREGATE

Whether virgin or recycled, aggregate is a raw material for sustainable construction. It is vital for making concrete and road pavements.



### OTHER PRODUCTS & SERVICES

In some countries the Vicat group also has complementary businesses that generate value-added for its customers. These include transportation, paper production, construction chemicals and finishing products for the construction industry in France, and the manufacture of bags in both France and India.



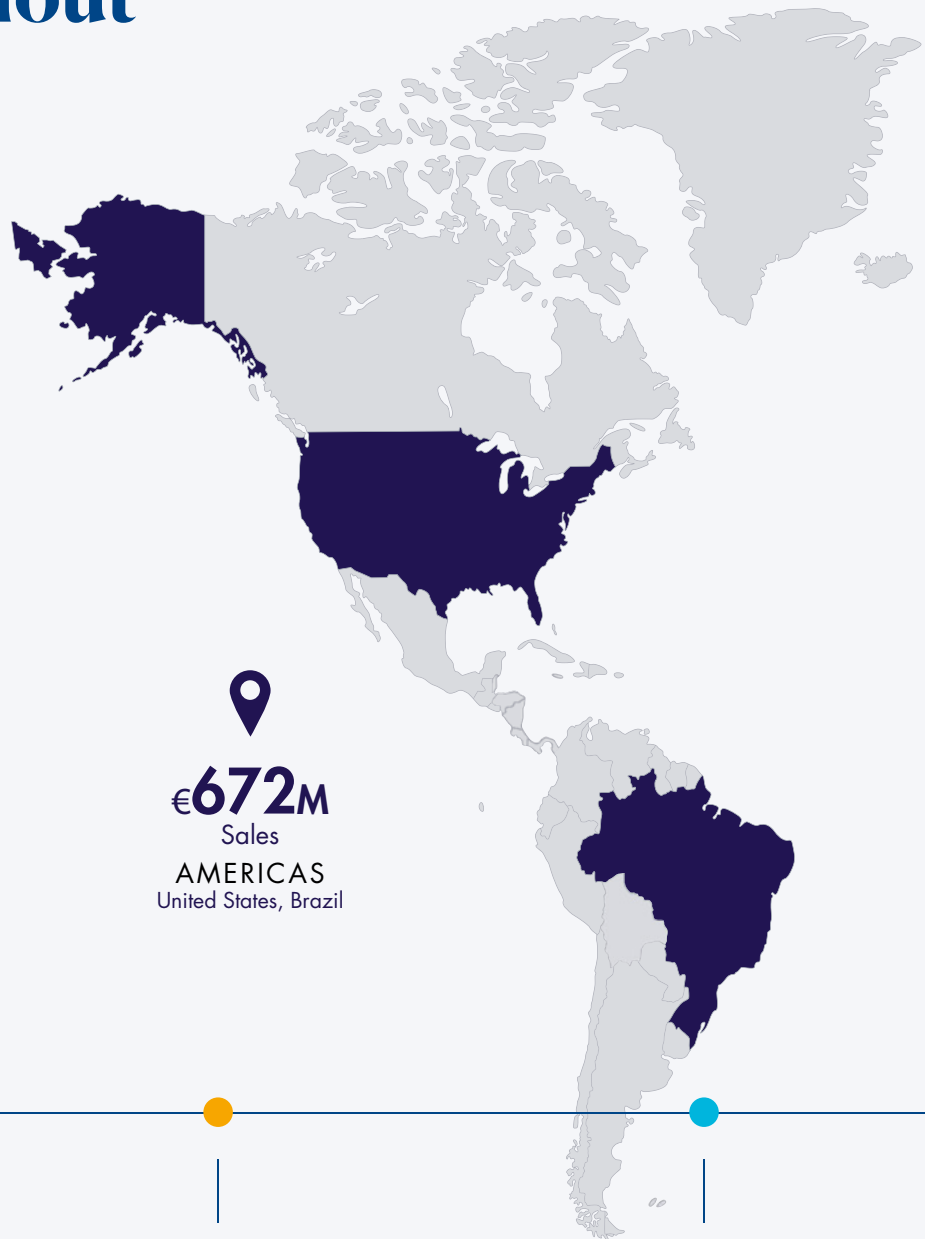
### LOW-CARBON SOLUTIONS

Rising to meet the issues of ecological transition, Vicat continues to work on new low-carbon solutions to add to those already developed, i.e. zero-carbon binder, Biosys bio-based blocks, cement based on activated clay or pozzolan, green mobility, etc.



# Vicat throughout the world

With its reach across 6 geographical areas, Vicat is pursuing its strategic development in emerging countries where demand for construction materials will be greatest in the years ahead.



**€672M**  
Sales  
**AMERICAS**  
United States, Brazil

## AMERICAS

**22%**  
of sales

**2,161**  
employees

3 cement plants  
56 concrete batching plants  
2 aggregate quarries

## WEST AFRICA

**10%**  
of sales

**950**  
employees

1 cement plant  
2 milling plants  
1 concrete batching plant  
2 aggregate quarries

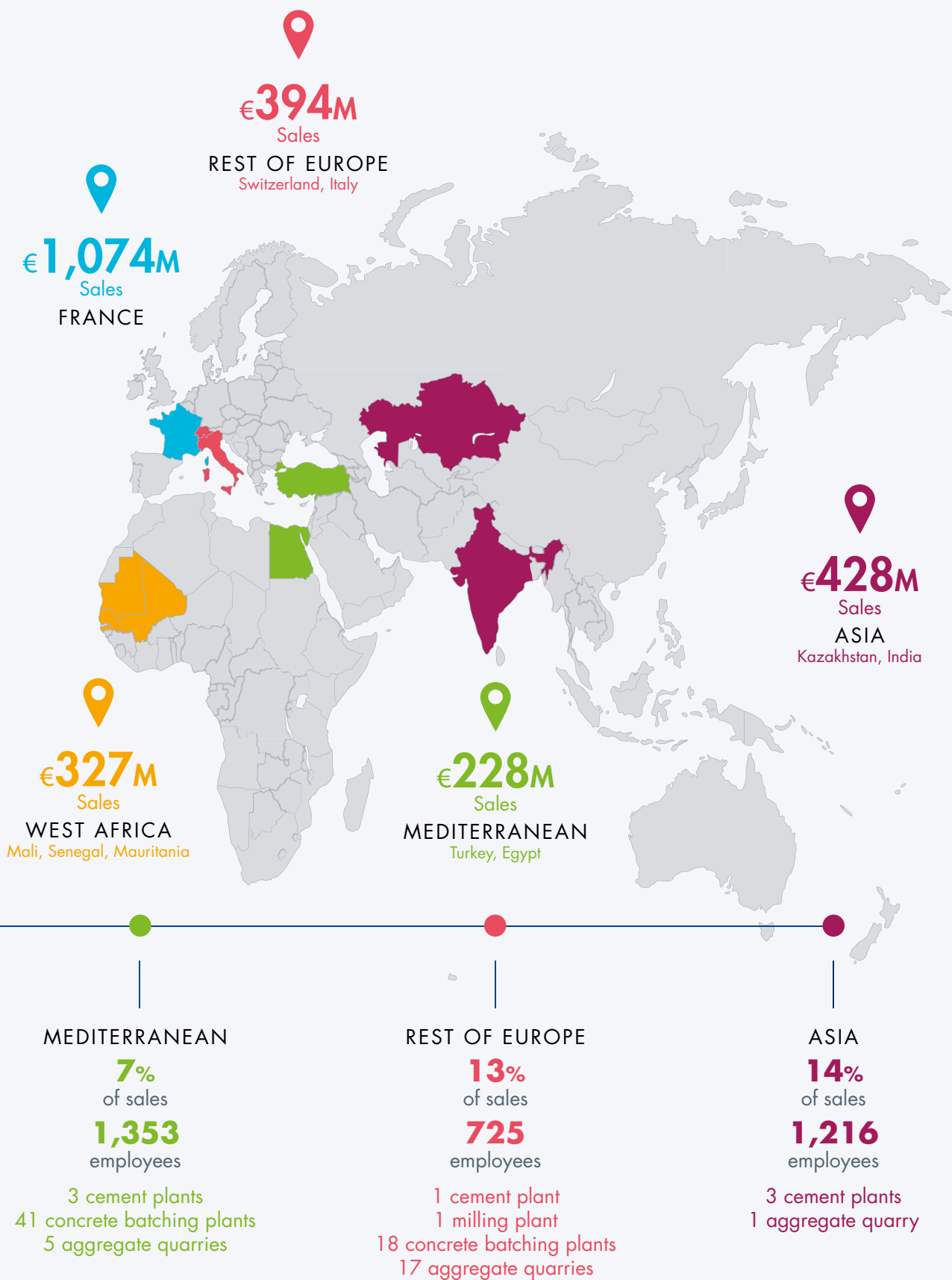
## FRANCE

**34%**  
of sales

**3,071**  
employees

5 cement plants  
2 milling plants  
151 concrete batching plants  
45 aggregate quarries





# Vicat in numbers

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Sales of  
**3.123**  
billion euros  
2/3 of which was generated  
outside France

**12**  
countries

NEARLY  
**9,500**  
employees

**3** main  
businesses

## CEMENT



**16 cement plants**  
**5 milling plants**  
**28 million tons sold**

## CONCRETE



**267 batching plants**  
**10 million cubic**  
**meters sold**

## AGGREGATE



**72 aggregate quarries**  
**24 million tons sold**



# Building an attractive, sustainable future

Innovating, reinventing ourselves, motivating employees to come up with new constructive techniques and to improve products and processes, these are what drives the Group at all times. Today's societal and environmental issues are spurring Vicat to go even further and even faster!

STRATEGY



# Three issues that steer our choices

To tackle the climate emergency, Vicat is innovating, finding ways to reduce its carbon impact and save resources. Against the backdrop of rocketing population growth, the Group is committed to developing concretes that provide sustainable solutions for the needs of construction tomorrow. It is also relying on the fantastic opportunities digital transformation is laying before us for adapting our processes and services.



## ECOLOGICAL AND ENERGY TRANSITION

### The challenge

Preventing the average temperature at the Earth's surface rising by more than 2°C by 2100

### Associated objectives

Against the backdrop of today's demographic growth and health crisis, it is urgent that we change our means of production in order not to exhaust resources and cause too great a temperature rise, which would be disastrous for the planet.

### Business challenges ahead

- Develop low-carbon construction materials, particularly cement
- Supersede imported fossil fuels at our cement plants with local waste-fuel streams
- Optimize our facilities to reduce energy consumption and preserve natural resources
- Deploy hydrogen projects to significantly reduce our carbon footprint.





**1** Saint Gervais les Bains viaduct (France)

**2** Digital transformation is revolutionizing everything.

**3** Tram in Nice (France)

## URBAN TRANSFORMATION

### The challenge

Meeting the needs of demographic growth in terms of housing and infrastructures

### Associated objectives

By 2050, Earth's population will be 10 billion, and close to 75% of its inhabitants will live in urban environments. Its sustainability, abundance, low cost, and ease of use make cement the unrivaled material for the construction of the smart cities of tomorrow.

### Business challenges ahead

- Develop bio-based construction products and solutions
- Propose new, increasingly high-performance concretes
- Be on top of the entire logistics chain, including transportation.

## DIGITAL TRANSFORMATION

### The challenge

Modifying models of corporate organization and inducing the emergence of new, innovative services

### Associated objectives

Accelerated by the health crisis, the digitization of society is transforming the construction business in the same way that our lifestyle has become increasingly connected, collaborative, and interdependent.

### Business challenges ahead

- Establish a digital offering serving customer requirements
- Offer new high-value-added services based on the use of data
- Adapt our manufacturing processes.

## AMBITION FOR 2050

To be net-zero carbon throughout our value chain

# We build the future

## Three strategic pillars for steady development

**LUKAS EPPLE**  
Joint COO,  
Strategy Manager



In a highly competitive environment where customer requirements are becoming consistently more demanding, it is more necessary than ever to innovate. Tomorrow's winning paradigm will require an ability to reinvent oneself, and that has always been one of the Group's strengths. This will call into play, firstly, our ability to develop increasingly sustainable cements and concretes with ever more outstanding performance, and then new, targeted acquisitions and third-party partnerships.



On the basis of its historic business, cement, which still contributes a great deal to its profitability, the Group has become a key player in concrete and aggregate.

**Objective:** to meet every customer requirement along the construction materials chain. Our external growth is aimed at diversifying geographical exposure and spreading risk judiciously across developed countries and emerging markets. As for innovation in products and services, it is what binds growth and sustainability together. Historic know-how, international growth, and highly effective R&D are the three pillars of a strategy for steady development.

### THE 3 KEY FACTORS IN SUCCESS FOR THE BUILDINGS OF TOMORROW

  
**Environmental  
performance**

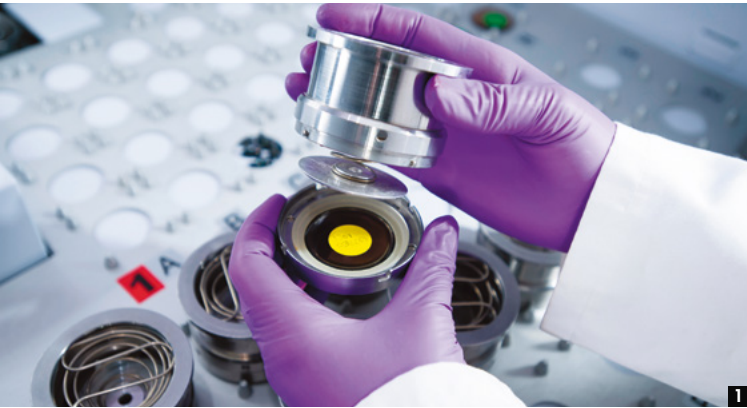


  
**Innovative  
materials**



  
**Circular  
economy**





## INNOVATION DRIVING GROWTH

The Group innovates in order to continue marketing products and services of the highest quality. Thanks to its people in R&D, the Group supplies customers with a wide range of innovative, high-performance products to meet the demands of rapidly changing markets. It has defined the guiding principles of its 'climate trajectory' aimed at reducing its carbon impact and addressing new issues such as energy transition, recyclability of materials, and improved building performance.



## BALANCED GEOGRAPHICAL FOOTPRINT

External growth is balanced between developed countries, which generate a steady stream of cash flow, and emerging countries with attractive potential for growth. These different avenues of expansion help diversify geographical exposure and spread risk. The Group records 66% of its sales outside France and 33% in emerging countries.



## SELECTIVE DEVELOPMENT

The Vicat group focuses primarily on its historical area of expertise, cement, which is the source of a large part of its profitability and the target of much investment. Through vertical integration it expands into the ready-mixed concrete sector—in accordance with the maturity of markets—and into the aggregate sector, thereby providing a global response to its customers' construction materials requirements.

The Group also has a number of complementary businesses, such as transportation and bag production.

**1** Louis Vicat Technical Center  
in L'Isle d'Abeau (France)

**2** Lebec cement plant  
in California (United States)

**3** Juscelino Kubitschek Bridge,  
Brasilia (Brazil)



# Our value-creation plan

## OUR RESOURCES



### Innovations and know-how

- Demystification of artificial cement by Louis Vicat in 1817
- Modern R&D center
- Technical and industrial know-how.



### Human resources

- Family-owned corporate group
- Committed workforce
- Rich social dialogue
- Workplace health & safety
- Business-specific experts.



### Industrial resources

- Well located high-performance industrial facilities benefiting from high levels of maintenance
- Substantial geological reserves guaranteeing supply of raw materials
- Industrial procurement policy focused on decarbonized and recycled products.



### Environmental resources

- Preservation of biodiversity and ecosystems
- Care taken over water resources and air quality at industrial sites
- Substantial landholdings.



### Societal resources

- Community focus
- Dialog with stakeholders (scientific communities, associations, suppliers, customers, local authorities, etc.)
- Two corporate foundations: Fondation Louis Vicat in France, Fondation Sococim in Senegal.



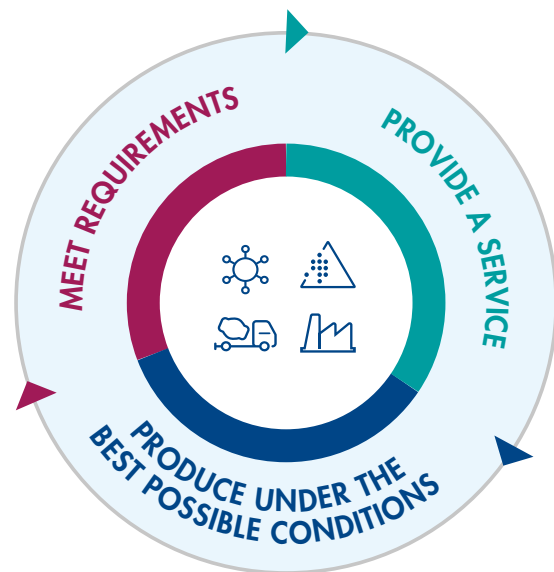
### Financial resources

- Financial performance and soundness guaranteeing the longevity of the Group
- Geographical diversification.

## OUR MISSIONS



VICAT'S FIRM ATTACHMENT TO THE PLACES WHERE IT WORKS MEANS IT STRIVES TO PRODUCE LOCALLY AND NURTURES ENVIRONMENTALLY VIRTUOUS CIRCULAR-ECONOMY SOLUTIONS.



### ► MEET REQUIREMENTS

- **Offer** safe, evolutive, readily available high-quality products and services for construction
- **Design** products adapted to the challenges of climate change
- **Share** value created with communities, by recruiting and purchasing locally
- **Help** employees acquire and develop skills to enhance their employability.

### ► PROVIDE A SERVICE

- **Adopt** the principles of circular economy and re-use waste produced in the places where we work
- **Develop** global and low-carbon offerings
- **Assist** customers in the construction of their projects by developing appropriate specifications, optimizing materials, using digital tools, and developing 3D printing
- **Promote** diversity and equal treatment
- **Engage** in the socio-economic development of the places where we work by supporting actions in the field of education, for example (education on health, teaching, culture, heritage, local economy).

### ► PRODUCE UNDER THE BEST POSSIBLE CONDITIONS

- **Respect** personal integrity
- **Maintain** labor relations of the highest quality
- **Guarantee** a safe and healthy working environment
- **Safeguard** ecosystems and biodiversity
- **Improve** the overall performance of industrial facilities by lowering emissions and consumptions.



**After first affording the world population protection and comfort, cement now constitutes a compelling response to the needs of population growth in the climate and social emergency we are facing.**

**GUY SIDOS**, Chairman & CEO



## OUR AMBITIONS AND GOALS



### Ambition for 2050

To be net-zero carbon throughout our value chain

### Goals for 2030

- 1▶ Reduce our emissions to 540 kg CO<sub>2</sub> net/ton of cement eq. across the Group and to 430 kg CO<sub>2</sub> net/ton of cement eq. for our businesses in Europe
- 2▶ Use 40% alternative fuels across the Group, and 100% for our artificial cement plants in Europe
- 3▶ Reduce the clinker content of cement to 75%
- 4▶ Self-generate renewable electricity amounting to 20% of our total electricity consumption.



- 1▶ Produce locally, preferring virtuous circular-economy solutions for sustainable cities
- 2▶ Safeguard the wealth of ecosystems at our sites by implementing plans for preserving biodiversity  
Make restoration of our quarries an opportunity to create new habitats  
Develop products for encouraging biodiversity  
Optimize management of our forests to increase carbon sequestration.
- 3▶ Upgrade our environmental performance scoreboard by tracking new progress indicators in the fields of water management, air quality, product management and innovation, and customer relations
- 4▶ Attain the objective of zero accidents
- 5▶ Increase the proportions of women on the overall payroll and in management
- 6▶ Promote responsible procurement and balanced, sustainable relations with suppliers.

## OUR ACHIEVEMENTS



In 2021 the Group invested 74.5 million euros in 68 decarbonization projects. The B rating given by CDP (formerly known as Carbon Disclosure Project) for our first voluntary submission rubber-stamps the strategy we have been implementing.



- CO<sub>2</sub> emissions reduced:
  - across the Group, 624 kg CO<sub>2</sub> net/ton of cement eq.
  - in the Europe zone, 544 kg CO<sub>2</sub> net/ton of cement eq.
- Alternative-fuel ratio of 26.2%, reaching 62.9% in Europe
- Clinker/cement ratio of 78.9%.
- Ratio of self-generated renewable electricity to total electricity consumption: 4.8%.



- Implementation of policies and due diligence investigations whose performance is measured for the purposes of annual reports
- Creation of CIRCULère, a French subsidiary promoting circular-economy initiatives
- Responsible purchasing: adoption of the 2021-2024 road map, establishment of a buyer training program
- Human resources:
  - Accident-severity rate: 0.24
  - Accident-frequency rate: 5.8
  - Proportion of women on the Group payroll: 11.5%.

### OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS



# Innovation in our genes

## LAURY BARNES-DAVIN

Scientific Officer,  
R&D Manager



“

From the capture and reuse of CO<sub>2</sub> emitted during the manufacture of cement to the development of a carbon-negative binder, concrete 3D printing, or decarbonized haulage of raw materials and finished products, our people are working on around sixty ambitious projects throughout the world. For some of them we have chosen to join forces with industrial partners of the highest order such as France's Atomic and Alternative Energies Commission (CEA), the National Scientific Research Center (CNRS), and Gustave Eiffel University.

”

### Innovation has been in Vicat's DNA right from the start.

Today, the successors of Louis Vicat, the man who demystified the manufacture of artificial cement, work in the Louis Vicat Technical Center, near Lyons, whose research focuses on environmental issues, recyclability of materials (aimed at preserving natural resources), and the development of construction processes involving optimized quantities and bio-based raw materials.

The Center's 90 scientists, engineers, and technicians also work on the development of new cements

whose manufacture emits less CO<sub>2</sub> yet have the same mechanical properties. This issue is fundamental for the future of the industry, and falls under the Group's goal of taking part in a collective effort in favor of the environment. It mobilizes substantial human and technical resources in a wide and varied range of fields. Investment aimed at maintaining the highest level of lab equipment (diffractometer, X-ray fluorescence spectrometer, electron microscope, etc.) has meant the Center has remained a pioneer in its fields. New materials are regularly being developed to meet the expectations

of public and private construction and engineering customers. For example, the Group has developed a binder that retains all the properties and applications of a conventional cement but whose carbon footprint corresponds to a net emissions level of less than 0 kg CO<sub>2</sub> eq./ton. Vicat is also pursuing research & development into 3D printing adapted to the requirements of every application of concrete. In 2021 the Group invested in a production and R&D unit devoted to 3D printing in Chambéry (French Alps), thereby consolidating its know-how in the production of 3D-printed elements.



# All eyes on carbon neutrality

**In response to the climate emergency, and conscious of the mass of greenhouse-gas emissions resulting from the manufacture of cement, the Group is adapting its means of production, its market positioning, and its organizational setup for technological and product innovation.**

It has undertaken to limit its direct emissions to 540 kg net CO<sub>2</sub> per ton of cement across all its cement businesses by 2030, compared to 624 kg net CO<sub>2</sub> per ton in 2021. Vicat's CO<sub>2</sub> impact is essentially due to its cement business, which generates more than 99% of Group-wide greenhouse-gas (GHG) emissions.

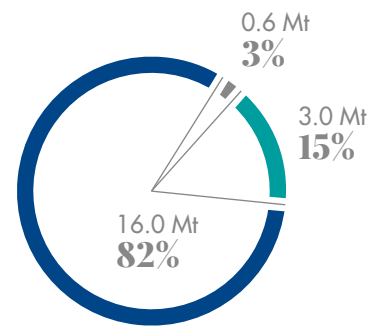
There are three main sources of this CO<sub>2</sub>: direct emissions (scope 1) associated with the combustion of fossil fuels to fire raw mix (crushed rock) in the kiln and with decarbonation of the carbonates in the mix, especially limestone, as it is fired; emissions associated with energy (scope 2), including consumption of electricity purchased for mechanical crushing upline and downline of

the kiln; purchase of materials, and transportation of goods and materials upstream and downstream of Vicat's activities (scope 3).

Between now and 2030 the Group will continue to innovate in the composition of cement and in the reduction of energy consumption, up to total elimination of primary fossil fuels in some countries and their replacement with alternative fuels, especially those derived from biomass. And the work already done is paying off! In 2021 Vicat received encouragement for its environmental actions for greater transparency and efficacy in the form of a B rating for its response to a CDP (Carbon Disclosure Project) questionnaire on climate change.

The ultimate goal is to be net-zero carbon throughout the Group's value chain by 2050. This is a veritable revolution that will impact the entire company and its ecosystem. To achieve this goal, the Climate Strategy department that was created in 2020

Vicat group CO<sub>2</sub> eq. emissions in 2020



● Scope 1 ● Scope 2 ● Scope 3

guides and supports the initiatives of subsidiaries throughout the twelve countries where we work. At the same time, it is preparing the initiatives that will be necessary for the period 2030–2050 by taking concrete steps to develop disruptive solutions, e.g. by trialing demonstrators at the industrial scale up to 2030. Demonstrators already in place include the HyNoVi and Catch4Climate projects.

**ÉRIC BOURDON**

Senior Executive Vice President,  
Industry, Innovation & Climate Officer



“

**Decarbonization of our businesses is resulting in defossilization of our practices. Since carbon is an indispensable part of human activity, what we have to do is use the carbon already extracted, by recycling it, and at the same time sequester the carbon in the atmosphere. While our solutions are seen as being in the best interest of the company, they also contribute to the common goal of carbon neutrality for the planet as a whole.**

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# Climate Plan

## For defossilization of processes and products

Vicat is putting everything into reducing the mass of fossil carbon in its products and their applications in order to contribute to endeavors throughout the entire value chain.

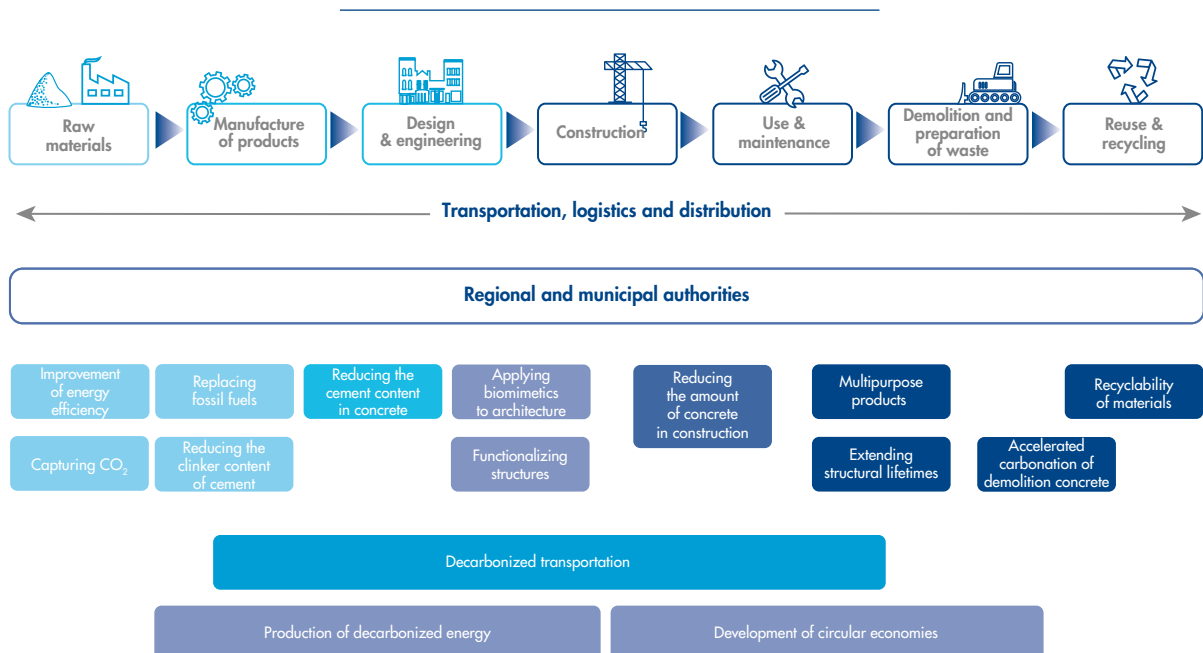
To reduce the CO<sub>2</sub> footprint of its businesses, the Group's top priorities are to replace fossil fuels, to improve the energy efficiency, both thermal and electric, of its operations, to develop decarbonized transportation, and to produce renewable and low-carbon energies. Defossilization of processes goes hand in hand with an innovation strategy addressing concrete, cement, and mortars that is aimed at reducing their clinker content and developing a low-carbon offering. The resulting initiatives are laid out in the 2030 Climate Plan

drawn up for each of the 12 countries where Vicat works. In 2021 the Group stepped up the associated investment amount to 80 million euros per year for 10 years, i.e. up to 2030. To be net-zero carbon throughout its value chain by 2050, the Group is already undertaking CO<sub>2</sub> capture and reuse projects, some of which involve the production and use of hydrogen and oxygen in cement plants with partners such as Hynamics (French power provider EDF) and Genvia.

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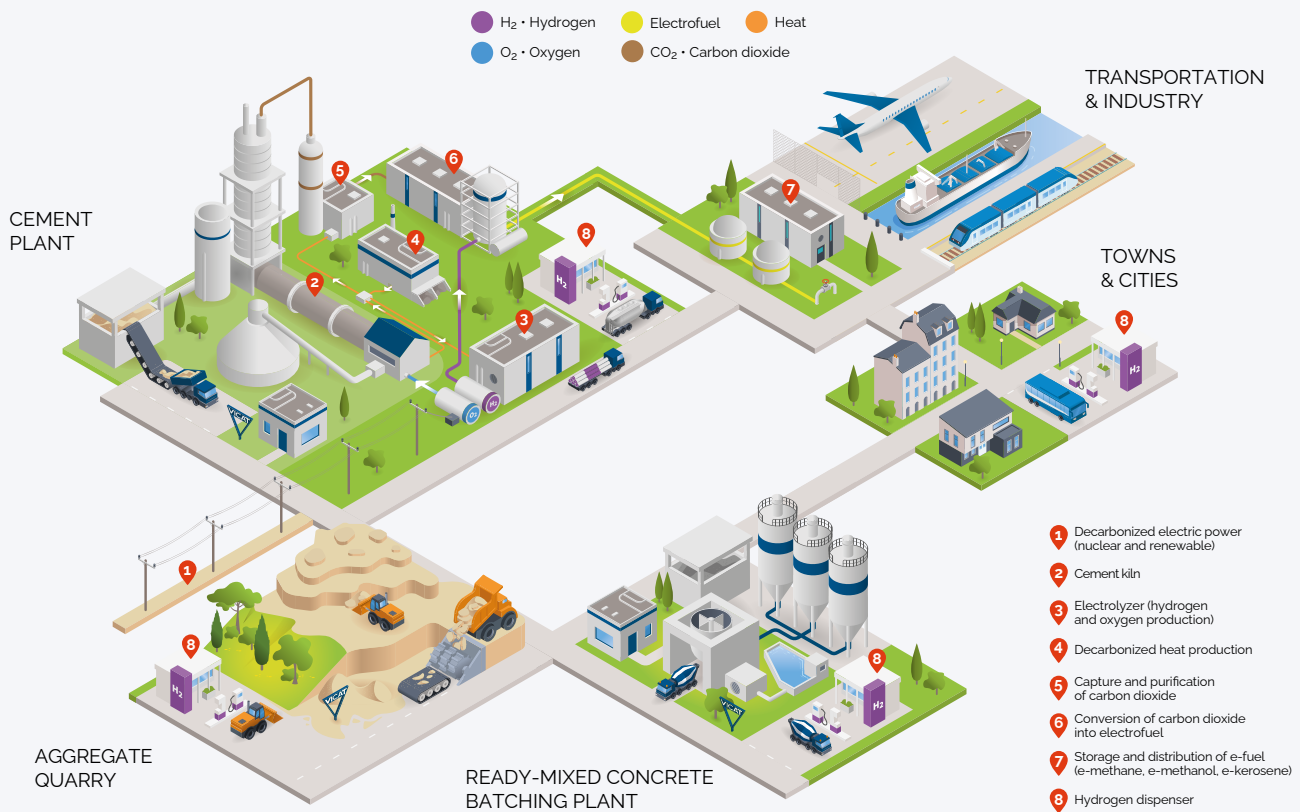
The number of projects addressing decarbonization of Vicat's value chain undertaken in 2021

### DECARBONIZATION INITIATIVES THROUGHOUT THE VALUE CHAIN



## CEMENT PLANTS & THE ENERGIES OF TOMORROW

CO<sub>2</sub> emitted during the manufacture of cement can be reused to produce synthetic energy resources which benefit the community by reducing the total emissions of cement plants, industry, and transportation.



**MARIE GODARD-PITHON**  
Performance &  
Investment Manager



“

Several ambitious decarbonization projects harnessing the potential of hydrogen are taking shape. In this field, Vicat is working on two links in its value chain: the harnessing and reuse of CO<sub>2</sub> emitted during the manufacture of cement, and the replacement of fossil fuels with carbon-free hydrogen for hauling raw materials and finished products. The Group is contributing actively to the emergence of the hydrogen economy and energy independence through local production of new decarbonized energy vectors: synthetic fuels.

”



# Women's diversity and singularity celebrated in 2021

**SOPHIE SIDOS**  
Chair of Fondation  
Louis Vicat



“

Although the year was disrupted by the health crisis, the Louis Vicat Foundation pressed on with its historic missions. It multiplied its actions in support of education, social inclusion, heritage preservation and community outreach, and at the same time focused attention on the contribution women make to the strength of Vicat.

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## What issues did the Louis Vicat Foundation deal with in 2021?

Our corporate foundation, which was founded in 2017—the bicentennial year of the invention of artificial cement by Louis Vicat—, devotes itself to education, social inclusion, heritage preservation, job facilitation and community outreach. In 2021, the work we carried out in relation to the Group's CSR policy put the spotlight on women, underlining their diversity within the company and the singularity of each of them. Irrespective of their jobs, their positions, or their responsibilities, they are essential cogs in the mechanism that makes Vicat work. We are firmly committed to equal treatment of male and female employees. While large numbers of women already work in the Group's administrative services, it is vital that attitudes and practices change in order to make it easier for women to work in other fields, such as production, for instance. For the moment, too few women dare train for certain jobs, particularly in mechanical fields. We are striving to remove these obstacles. For that reason, in 2021 we decided to put the spotlight on women and insist on the important role they will play in overcoming the challenges of today's and tomorrow's world.

## How was the issue addressed in the field?

Despite the complicated health situation, we carried out several initiatives. Under its partnership with sports association *Sport dans la Ville*, the Louis Vicat Foundation organized workshops aimed at raising the awareness of women from 'Top-Priority City Neighborhoods' about the scientific career path and jobs in industry. By meeting and talking with Group employees, both male and female, attendees learned about the job possibilities we offer and were even introduced to one of our star products, Prompt natural quick-setting cement. We also wanted to draw attention to exemplary women such as Wendie Renard, one of the world's best soccer internationals, who plays for one of our local clubs, Olympique Lyonnais. For International Women's Rights Day we produced a video stressing that women, just as much as men, must believe in themselves and put their skills to the fore.



- 1** Molding workshop with Prompt natural quick-setting cement organized for sports association *Sport dans la Ville*, with Samuel Imbert-Vier, Nathalie Courtadon, and Sophie Sidos
- 2** Adélaïde Da Silva, employee of Granulats Vicat (France)
- 3** Sophie Sidos and women's rugby team FCG Amazones (France)
- 4** Adeline Montavon, Vigier Ciment employee, Péry (Switzerland)

## What other key actions did Fondation Louis Vicat carry out in 2021?

Community outreach was more than ever the focus of our projects. For instance, Fondation Louis Vicat renewed its partnership with the association *Le Monde de Jules* which assists families with autistic children. A cheese stand selling products from the Jura region was set up at the Group headquarters in L'Isle d'Abeau, with all the profits going to the association. For France's annual national Telethon, we organized the collection of used batteries under the 'A battery - A donation' scheme. When it comes to heritage preservation, the Foundation helped a not-for-profit devoted to the industrial heritage and history of the Dauphiné region (APHID) organize visits to historical museums and a range of industrial sites. The committee for researching and promoting heritage, history, and art (Corepha) in Voreppe (French Alpine region) also received financial assistance for producing a film about the history of cement that recounts part of the life of Louis Vicat. On top of all this, we are sponsors of the Economic, Social and Environmental Council (CESE) endowment fund for restoration of the Palais d'Iéna building in Paris. These are but a few concrete projects that exemplify the great diversity of the work carried out by the Foundation.

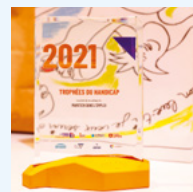
### SUPPORT FOR FRAPOTEL HERITAGE ESTATE

Fondation Louis Vicat gave its support for publication of a book by Dominique Perrault and Gaëlle Lauriot-Prévoist about the Domaine de Frapotel estate in France's Oise region, north of Paris. Villa Weil, an architectural masterpiece designed by Jean Dubuisson and built between 1966 and 1970, stands on the estate. The house is one of the most significant examples of French architecture of the latter half of the 20<sup>th</sup> century. The Foundation also supports the conservation of the estate.

### FUNDRAISING FOR VIRADES DE L'ESPOIR

With the support of its ambassador, Nicolas Berge, Fondation Louis Vicat did much for the *Virades de l'Espoir* fundraising initiative organized in Bourgoin-Jallieu and, for the first time, at the Papeteries de Vizille site. The different activities raised money for research and improvement of the daily lives of the 7,500 sufferers of cystic fibrosis in France.

### MAINSTREAMING OF THE DISABLED



Vicat and the Louis Vicat Foundation are firmly involved in raising awareness of the difficulties of disabled

persons, and in 2021 were partners for a series of 'Uniq' one-off talks on the theme 'Sport, Handicap, and Enterprise' sponsored by the Auvergne-Rhône-Alpes division of the MEDEF employers' association. The event presented its new Handicap Trophies, awards for companies which stand out for their mainstreaming. The Foundation was a member of the jury, and in the person of Pierre-Olivier Boyer, Vicat Strategic Partnership Manager, presented the Job Retention award to Schneider Electric.



**CHRISTOPHE BÉRENGER**  
Senior Executive Vice President,  
Human Resources Officer

“  
**100% of our workforce  
had at least one health  
& safety training  
course in 2021.**  
”

**The health of our employees  
remained a top concern  
for the Group in 2021.  
How did management  
deal with the health  
crisis in France and  
throughout the world?**

It is absolutely true that protecting our personnel and partners against Covid-19 was one of our priorities. Management in each country kept up or reinforced the actions to be taken to combat the epidemic while additional financial and equipment resources were released at Group level. We took special care to ensure that employees were not economically affected by the consequences of the

crisis. We had practically no need for part-time layoffs and pay was maintained in the event of illness or sick-leave due to aggravating factors. Two examples illustrate these principles: in India, special compensation payments were made to employees who were absent as a result of Covid-19 or who had incurred high medical expenses for themselves or members of their families; and in France a special Covid-19 bonus was paid out in July to thank the workforce for their commitment.

In organizational terms, managers were given special training in crisis management and management of psychosocial risks (PSR) and teleworking. And the workforce was given training on how to interact when remote working has been generalized.

The Group also showed solidarity with communities in the regions where it operates by donating supplies (masks, sanitizing gel,

oxygen etc.). And Vicat India made an important donation of oxygen cylinders to hospitals near its facilities.

**How is your ‘zero-accident’  
policy shaping up?**

Our goal is simple: zero accidents! Across all our sites we are working unceasingly to improve working and living conditions and ensure they are safe, healthy, and hygienic. The many actions taken are aimed at reducing or eliminating exposure to risks and the risks themselves, and at reducing the frequency and severity of occupational accidents and professional illnesses. We are totally aware that the improvement of working conditions and worker safety depends above all on modification of the human factor, so we are continuing to deploy and reinforce measures for ensuring a sound safety culture, as much for temporary staff and that of external contractors as for our own personnel. It is through workforce training, organization of awareness campaigns, and preparation and distribution of communication materials on the zero-accident goal that we will achieve results. In 2021, 100% of our workforce had at least one health & safety training course, and we will do the same in 2022.

**INTENSE DISCUSSION  
WITH LABOR ORGANIZATIONS**

The support and active involvement of labor organizations, together with their participation in the health & safety drive, contribute to the development of a sound safety culture and improved performance. In 2021 the quality of relations with trade unions and the workforce meant calm yet decisive labor talks led to the most satisfactory decisions being made and applied. The agreements signed reflect the common resolve shared by management and labor organizations.



## Engagement for gender equality: no pay gap

**Gender equality is one of the fundamentals of the Group's performance and human relations policy.**

In accordance with the culture of the countries where Vicat works, appropriate steps are taken to ensure that women can find employment and training and that they are treated equitably in terms of pay and promotion.

Starting in 2017, to go beyond the targets set out in the agreement on gender pay equity, together with labor organizations Vicat undertook a detailed salary review on a post-by-post basis to identify potential gender pay gaps and work out the principles of a special corrective budget. It was determined that the gap is close to 0% in terms of both numbers and value.

This result was achieved despite the complications associated with

the industrial nature of Vicat's business and the jobs on offer. In 2021, the partnership agreement between Vicat and sports association *Sport dans la Ville* was renewed for the *Industri'elles, Déployez vos Ailes!* project, the aim being to change perspectives and break down the clichés that discourage young women from pursuing industrial careers.

The Group also deems that innovation, the cornerstone of its history and strategy, is all the more inspiring for the presence of female employees. The personnel in the Research & Development and Marketing departments, for instance, are mostly women (including top positions). In 2021 the Group worked further to 'de-gender' jobs in the minds of both recruiters (whether external or in-house) and applicants (whether male or female). Our Guide to Effective and Inclusive Recruitment requires that women applicants be systematically proposed for jobs, even those typically occupied by men.

Through teamwork, coaching, training courses, and the sharing of best practices, we aim to identify female talents, improve women's performance, accelerate their acquisition of leadership maturity and awareness of their individual qualities, style and roles as 'lead climbers' (an important characteristic for the Vicat group, with its Alpine background), and take down external and internal obstacles to the advancement of women to key positions.

### SURVIVAL TRAINING

All the Group's businesses pay special attention to the ongoing training of employees in order to prevent obsolescence in terms of skills, performance, and employability.



**NATHALIE CARRAZ**

Training Manager

“

**New recruits are given field training where they learn directly from the skills and know-how of more experienced personnel.**

”



Personnel of the Granulats Vicat Bellecombe quarry (France)

# 19.6%

**The proportion of female employees (in France) in 2021 (18.5% in 2020)**

# 34.4%

**The proportion of female management recruits in 2021**

# Furthering community development: health, sport, and education

**Vicat complements its corporate social responsibility strategy with a sponsorship policy aimed at furthering community development in the regions where the company works. The Group involves itself in the organization of events of an educational, economic, cultural and sporting nature.**

In 2021 total donations amounted to close to 5 million euros, 3.6 million of which was from international subsidiaries and 1.3 million from businesses in France. The special focus was education in the broadest sense. In France, for example, Vicat is a partner of schools such as *La Mache*, which trains mid-level management in the industrial sector and takes part in the work of two academic research and advisory chairs, i.e. the Vulnerability Chair of the Catholic University of Lyons and the Economic Peace, Mindfulness and Wellbeing at Work Chair of the Grenoble School of Management. In India and, through Fondation Sococim in Senegal, merit scholarships have been granted to nearly 2000 school pupils. Also in Senegal, 20 students have benefited from assistance to enroll at the *École Polytechnique* engineering school in France. With the support of the Louis Vicat Foundation, the Group is also deeply involved in the French government's '1 youngster, 1 solution' initiative whereby it regularly organizes visits to its facilities to open horizons regarding job possibilities, and its subsidiary SATM has entered into a partnership with the association *Ma chance, moi aussi* which provides learning support for 5 to 7-year-olds from disadvantaged backgrounds. In 2021, the Group also entered into a partnership with the organizer of the world's largest occupational skills contest for the WorldSkills France Competition. Held every two years, international



Contestants in the French WorldSkills final, Lyons (France)

WorldSkills competitions enable young professionals qualified as champions in their own countries to measure up against the rest of the world in an international competition held at a single site. Youth, sharing, effort, commitment, fair play, excellence, open-mindedness and respect for cultural diversity: these are the terms which sum up the spirit of the WorldSkills Competition. In the field of health, and especially in countries where public infrastructures are lacking or limited, malaria-prevention programs are made available; dispensaries are opened for local populations, and the utmost is done to provide certain treatments free of charge. The provision of safe drinking water in emerging countries is also one of Vicat's concerns, along with education regarding waste management in villages close to its cement plants in India. Also in India, Vicat has supplied food for young children (615 children in 2021) and for people suffering from AIDS (434 in 2021). And in Senegal, Fondation Sococim has started a program for planting fruit trees that 111 families will be able to use for their own consumption and for commercial purposes.

## ENDORISING RESPONSIBLE SUPPLIERS

To succeed in its ambition of sharing a certain business ethic wherever it operates, the Group surrounds itself with suppliers who are committed to CSR, and has revised its supplier code of conduct, the new version of which was deployed at the start of 2022. In particular, it encourages innovative proposals for ecological and energy transition as well as progressive approaches to health & safety and the prohibition of child labor. Much has also been done to implement a procedure for assessing suppliers, particularly with regard to identification of their main risks in the fields of health & safety, compliance with labor and human rights, discrimination, and environmental pollution associated with activities and products.

# Biodiversity, an essential resource to be preserved

Vicat has been taking biodiversity into consideration in the management of its sites for many years. Operating a quarry modifies the natural environment, that is certain. But it also provides opportunities to create new habitats and re-examine the uses to which land can be put to enhance biodiversity.

**Conscious of the importance of maintaining the functional role of the ecosystems in which it operates, the Group does everything possible to limit the impact** of quarrying by taking measures to preserve fauna and flora in accordance with environmental regulations. Safeguarding biodiversity is taken into account in Vicat's CSR strategy, and has proven to be a factor that facilitates the company's integration into the community, a factor in internal mobilization, an accelerator of innovation, and an important force of leverage in rising to the challenge of ecological transition. The Group stresses sustainable community involvement aiming to make biodiversity an advantage for opening new quarries, in association with the relevant stakeholders.

To achieve this, a great many in-house and external initiatives address quarries, for which administrative authorizations must be obtained before operations can commence. Vicat sites are operated in strict application of the Avoid-Reduce-Offset (ARO) sequence. For many years Vicat has been implementing a set of best practices such as clearance of scrub on quarry faces to encourage nesting by cliff



Barraux quarry (France)

swallows, stockpiling of overburden to preserve its agronomic qualities and combat invasive species, installation of nesting rafts in pit lakes, and limitation of noise and light pollution. All these measures help reduce the impact quarries can have on biodiversity.

Additionally, in 2021 Vicat conducted a preliminary assessment of the value of its quarries (aggregate and cement quarries) in terms of biodiversity in order to identify the most expedient indicators and to harmonize the best practices developed across its subsidiaries.





Saint Jean le Vieux  
quarry (France)

Criteria such as the proximity of sites to protected zones or zones of environmental interest have been taken on board. Under its drive for continuous improvement, the Group is careful to take account of the May 2020 recommendations of the Global Cement and Concrete Association (GCCA).

In the countries most concerned, the Group has also set up an action plan for sustainable stewardship of its forests, thereby contributing to the maintenance and growth of the natural CO<sub>2</sub> storage capacity of forests and their soils. In France, the area of forest concerned in 2021 amounted to a little over 1,305 hectares. Simple forest management plans, i.e. practical tools for determining objectives and facilitating choices and decisions to be made, are used to draw up a program for harvesting and other works and to produce periodical reports.

Vicat also supports all manner of voluntary projects contributing to the preparation of biodiversity management plans. One such case is the Lo Parvi association which manages the 160-hectare natural reserve at the Mèpieu pit lakes site on Vicat's behalf.

The Group also supports two wildlife protection centers, i.e. Le Tichodrome, 20 kilometers outside Grenoble, and Tétrás Libre, near Chambéry, both managed by not-for-profits working closely with *France Nature Environnement* (FNE) and the *Ligue de Protection des Oiseaux* (LPO) bird protection league. Fondation Louis Vicat, for its part, is supporting the association Sylv'ACCTES Environnement whose aim is to develop the forests of tomorrow by funding virtuous initiatives with positive impacts on the climate, biodiversity, and landscapes.

This salutary attitude towards biodiversity is reflected in the Group's roadmap for responsible purchasing which seeks to source certified products whose manufacture has the slightest possible environmental and social impacts. For example, the paper pulp purchased by the Group for its Papeteries de Vizille paper mills is certified FSC and PEFC.

# 105

**In 2021, 105 groups of visitors discovered the biodiversity of the Group's sites during open days and special guided visits and workshops.**

# 575,233 m<sup>2</sup>

**The area of sites restored in 2021**



## AFRICA'S GREAT GREEN WALL

Vicat and Fondation Sococim support the African Union's Great Green Wall project for combating the effects of climate change and desertification in Africa. The project calls for planting trees and other vegetation on 11.7 million hectares of land in 11 countries in arid savanna adjacent to the Sahara, including Senegal, Mauritania, and Mali, to prevent the advance of the desert. It involves large numbers of scientists, botanists, climatologists, sociologists, and anthropologists.

Nursery funded by Fondation Sococim (Senegal)





# Building and living together at the global scale

Of the 17 Sustainable Development Goals defining global aspirations for 2030, Vicat is working on the 14 connected to its business sectors, commitments and skills. These SDGs constitute a framework for the Group's development in every country where it works.



OUR ACTIONS FOR EACH  
SUSTAINABLE DEVELOPMENT GOAL

Manufacturing facility for Swatch-brand Dress Your Body jewelry in Corcelles-Cormondrèche (Switzerland)





# With SDGs, Vicat is targeting its endeavors for a sustainable future

## The Sustainable Development Goals (SDGs) define global sustainable-development priorities and aspirations for 2030.

In seeking to mobilize global efforts around a common set of goals and targets, the SDGs call for worldwide action among governments, business and civil society to end poverty and create a life of dignity and opportunity for all. The SDGs present an opportunity for the Vicat Group to mobilize all its creativeness and capacity for innovation to address the world's biggest sustainable development challenges. They serve as an overarching framework for shaping and steering industrial activities and strategy. Of the 17 Sustainable Development Goals defining global aspirations, Vicat is focusing on 14 in the countries where it works. At least once a year, each country reports on its CSR performance with respect to the issues concerned: climate, circular economy, biodiversity, water, air quality, management of products and consumer relations, human resources, ethics and compliance, responsible purchasing, and commitments to the socio-economic development of the communities where we work. To support this, early in 2020 the Group set up a Climate Issues Committee chaired by the Chairman & CEO whose task it is to define strategy, validate the climate roadmap, and assist the Climate Strategy department and Country Management services implement the actions required.



### ENVIRONMENTAL



### SOCIETAL





## Energy transition Vicat shines in the sun

THE GROUP HAS UNDERTAKEN TO BE NET-ZERO CARBON THROUGHOUT ITS VALUE CHAIN BY 2050. FOR THIS, IT IS FOCUSING ON GRADUAL ELIMINATION OF ITS NEED FOR FOSSIL ENERGIES. ONE OF THE SOLUTIONS VICAT IS DEPLOYING THROUGHOUT THE WORLD IS SOLAR FARMS LOCATED CLOSE TO ITS FACILITIES. HERE ARE THREE EXAMPLES.

### FRANCE

#### 780 ROOF-MOUNTED PHOTOVOLTAIC PANELS

The Vicat Produits Industriels (VPI) site in Malataverne installed 2,600 m<sup>2</sup> of solar panels when roofs were replaced. The installation was commissioned in June 2021. It has estimated output of 816 MWh/year, equal to the power consumption of 380 people, and prevents the emission of 12 tons of CO<sub>2</sub> per year.



### SENEGAL

#### LARGEST SOLAR FARM IN AFRICA

Under its commitment to energy transition, Sococim Industries set up 25,000 photovoltaic panels to power its cement plant in Rufisque. The output of the installation will be over 14,000 MWh/year, which represents 6% of the plant's consumption. The innovative, connected power plant is fitted with an energy generation control system (weather analysis, solar tracking system with photovoltaic panels that follow the sun, thermal hybrid system) and a control center for real-time optimization of the cement plant's power supply.



### INDIA

#### TWO PLANTS IN RECORD TIME

At its Kadapa plant in the Andhra Pradesh region, Bharathi Cement has one of the Group's largest solar farms. The 30,780 panels covering an area of over 16.5 hectares were installed in 79 days to produce 15 GWh per year thanks to the average of 300 sunny days per year at the site. In Hyderabad, in the Ranga Reddy district of the state of Telangana, Kalburgi Cement has also commissioned a ground-based solar farm with capacity of 8.5 MWp. The total installed capacity in India amounts to 20 MWp.

**1** VPI facility  
in Malataverne  
(France)

**2** Rufisque  
solar farm  
(Senegal)



## Water resources Precious, to be preserved

THE GROUP IS TAKING EVERY POSSIBLE STEP TO PREVENT CONFLICTS OVER WATER USAGE, ESPECIALLY IN AREAS MOST PRONE TO WATER STRESS SUCH AS INDIA, SENEGAL, EGYPT, TURKEY, AND CALIFORNIA IN THE UNITED STATES. THROUGH ECONOMICAL MANAGEMENT AND RESTRICTION OF DISCHARGE, IT AIMS TO LIMIT THE IMPACTS OF ITS ACTIVITIES, HELP ENSURE THE AVAILABILITY OF DRINKING WATER FOR ALL, AND CONTRIBUTE TO ADAPTATION TO CLIMATE CHANGE.

### DOING IT RIGHT

Vicat averts water shortage:

- ▶ by drawing water in accordance with its needs and the situation of local water resources
- ▶ by recycling its process water
- ▶ by limiting discharge and treating it in accordance with the receiving environment
- ▶ by optimizing consumption



### DID YOU KNOW?

The Group works to make drinking water available in developing countries. In India, for example, close to 2,000 families now have access to safe drinking water thanks to investments by Vicat India. This has led to a significant reduction in illness amongst both children and adults in this group.



## Genvia Gigafactory for decarbonized hydrogen

IN MARCH 2021, UNDER A JOINT VENTURE WITH SCHLUMBERGER NEW ENERGY, FRANCE'S ATOMIC AND ALTERNATIVE ENERGIES COMMISSION (CEA), VINCI CONSTRUCTION, AND THE CLIMATE & ENERGY AGENCY OF THE OCCITANIE REGION, VICAT FOUNDED GENVIA. THE NEW COMPANY'S TASK IS TO ACCELERATE THE INDUSTRIAL DEVELOPMENT AND DEPLOYMENT OF A NEW TECHNOLOGY FOR PRODUCING GREEN HYDROGEN BY ELECTROLYSIS OF WATER, USING RENEWABLE ELECTRICITY AND WASTE HEAT.

By operating at temperatures between 700 and 800°C, the process uses not liquid-phase water but steam. This makes it easier to separate out hydrogen molecules, thereby increasing efficiency by about 30% compared to conventional electrolysis. Genvia is aiming to set up its first demonstrator in 2024, depending on the speed at which the solution matures.



GENVIA

### WITH WHOM?

To meet this ambitious goal, Genvia brings together partners with complementary expertise:

- ▶ CEA provides its scientific and technological skills
- ▶ Schlumberger provides its industrial know-how
- ▶ Vinci Construction and Vicat provide their field expertise
- ▶ the Occitanie region and the government provide financial support.



## DECA Vicat's low-carbon offering



**DIDIER PETETIN**  
COO, Manager of business in France  
(excluding Paper)

“In France, at the end of 2020 Vicat launched DECA—for ‘decarbonized’—, a range of low-carbon products consistent with the country’s latest environmental regulations for new buildings (RE2020).”

The DECA label means the Group’s construction solutions with the best performance in terms of carbon can be identified at a glance. In the case of concrete, for example, there are several grades: DECA1 corresponds to a 10 to 20% reduction in CO<sub>2</sub> compared to conventional concrete, and DECA2 identifies concretes with a CO<sub>2</sub> reduction of at least 20%.



### EVERY 10 M<sup>3</sup> OF DECA CONCRETE

saves 1 metric ton  
of CO<sub>2</sub>, or the equivalent  
of a Paris–New York return  
flight for one person.



### DID YOU KNOW?

The 3<sup>rd</sup> edition of the Antoine Veil Competition for companies proposing products guaranteed to originate in France (*Origine France Garantie*) awarded Vicat the jury’s special prize for its DECA low-carbon concrete range in 2021.



ABC (Autonomous Building for Citizens) apartments in Grenoble (France). This is the first building to use DECA low-carbon concrete.





## CO<sub>2</sub>ntainer Chlorinated dust upcycled into aggregate

THANKS TO INSTALLATION OF THE CO<sub>2</sub>NTAINER SYSTEM INVENTED BY CARBON8 SYSTEMS, THE MONTALIEU-VERCIEU CEMENT PLANT IS CONVERTING CHLORINATED DUST GENERATED BY ITS MANUFACTURING PROCESS INTO LIGHTWEIGHT AGGREGATE THAT CAN BE USED TO MAKE CONCRETE. IT IS THE FIRST TIME IN EUROPE THAT THIS PROCESS HAS BEEN INDUSTRIALIZED IN A CEMENT PLANT.

Vicat is expanding its circular-economy drive and taking another step towards carbon neutrality by installing the CO<sub>2</sub>ntainer system invented by British company Carbon8 Systems at its Montalieu-Vercieu cement plant (France). The system is integrated directly into the industrial process to help accommodate increasing use of alternative fuels. It captures CO<sub>2</sub> directly from the kiln exhaust gas stream and permanently sequesters it in the form of high-value-added construction products. The technology patented by Carbon8 Systems uses the CO<sub>2</sub> captured to accelerate carbonation of chlorinated dust from the cement plant and transform it into lightweight aggregate. By 2024 Vicat is hoping to be producing around 7,000 tons of this kind of aggregate from all the chlorinated dust produced at the Montalieu-Vercieu plant. After a few months of trials, duplication of the installation may be envisaged in other Group cement plants both in France and internationally.

### LAURY BARNES-DAVIN

Scientific Officer,  
R&D Manager



**The CO<sub>2</sub>ntainer system captures the CO<sub>2</sub> emitted by the plant and uses it to produce an aggregate that can be marketed to the construction industry. It has real potential for our operations in France and in all the countries where we have cement plants.**



Lightweight aggregate produced with the CO<sub>2</sub>ntainer system



Xeulilly cement plant (France)

## Argilor New low-carbon cements based on activated clay

The Argilor project chiefly involves the construction of a thermally-activated-clay production facility embedded in the Xeulilly cement plant (eastern France). It uses flash-calcination technology. Argilor will reduce the plant's annual CO<sub>2</sub> emissions by 48,500 tons (for equivalent output and quality), i.e. a drop of around 1.6%. The activation unit is expected to be in service in the spring of 2023.

## ALTèreNATIVE

### Non-recyclable waste converted into fuel

ALTèreNATIVE, A JOINT VENTURE BETWEEN VICAT AND PAPREC, WILL AS OF 2023 BE PRODUCING SOLID RECOVERED FUEL (SRF) FROM NON-RECYCLABLE WASTE COLLECTED AT SORTING CENTERS, THEREBY CREATING A NEW INDUSTRIAL FUEL STREAM IN THE PROVENCE-ALPES-CÔTE D'AZUR REGION OF SOUTHERN FRANCE.

In June 2021, Vicat created a joint venture with Paprec, a leading French specialist in waste management and repurposing. The new company, ALTèreNATIVE, will as of 2023 operate a plant in Martigues,

near Marseilles, producing Solid Recovered Fuel (SRF). It will be the largest SRF plant in France, with production capacity of 50,000 tons per year, most of which will serve as a substitute for the fossil fuels currently used at Vicat's La Grave de Peille cement plant. Since its feedstock will be post-sorting residue from plants of the Paprec group, it will reduce the amount of waste going to landfill, which complies entirely with Vicat's strategy for putting circular economy at the forefront of its activities and definitively ceasing the use of imported carbon-based fossil energies in its French cement plants. The company will have 25 employees and will create work for 80 subcontractors.



**STÉPHANE RUTKOWSKI**  
CEO of CIRCULère

“Vicat and Paprec have founded ALTèreNATIVE, a company for producing solid recovered fuel. We are thus establishing an industrial supply chain working on the principles of circular economy that will repurpose non-hazardous, non-recyclable waste that would otherwise be disposed of as landfill.”



#### DID YOU KNOW?

The proportion of alternative fuels used by the Group is currently 26.2%. This prevents the use of the equivalent of 780,000 tons of coal. Across our European operations, the proportion of alternative fuels used amounts to 62.9%.

## Concrete 3D printing

### The future of construction

VICAT DEVELOPS SOLUTIONS  
USING CONCRETE 3D PRINTING

Today's computer-assisted design tools mean the right concrete can be placed in exactly the right place and associated with other local materials with low greenhouse-gas emissions. Picking up on this new know-how and the opportunities it provides, Vicat has invested in a production and R&D unit devoted to 3D printing in Chambéry (French Alps).



Concrete 3D-printed element

#### ADVANTAGES OF 3D PRINTING

- ▶ Smaller volume of concrete used
- ▶ Reduced carbon footprint
- ▶ Shorter construction times and less arduous work
- ▶ Higher level of operator skills and greater appeal for jobs in construction
- ▶ Better safety and ergonomics on construction sites
- ▶ Consistent with digitalization of jobs
- ▶ Unfettered creative freedom



## CO<sub>2</sub> Capture, utilization and storage

THE GROUP HAS EVERY CONFIDENCE THAT, IN ADDITION TO ALL THE OTHER ACTIONS IT IS CARRYING OUT TO ATTAIN ITS AMBITION OF BEING NET-ZERO CARBON BY 2050, INNOVATION IS THE KEY TO COMING UP WITH SUSTAINABLE SOLUTIONS FOR CAPTURING, UTILIZING, AND STORING CO<sub>2</sub>. CATCH4CLIMATE AND CIMENTALGUE ARE TWO EXAMPLES.

### 1- CATCH4CLIMATE



#### CO<sub>2</sub>-EMISSIONS-FREE MANUFACTURE OF CEMENT

Together with three other European cement manufacturers (Buzzi, HeidelbergCement, and Schwenk), Vicat is looking into the possibilities of reducing the carbon footprint of cement. Under a joint venture known as Cement Innovation for Climate (CI4C), the four partners are combining their know-how to build a demonstrator of a system using oxyfuel technology. It is to be set up at the Schwenk cement plant in Mergelstetten, Germany. The aim is to develop a disruptive innovation aimed at eliminating CO<sub>2</sub> emissions during the manufacture of cement. Only one third of these emissions is produced by the combustion of fossil fuels like coal or petroleum coke. The rest results from the decarbonation of limestone, the main ingredient used to make cement. The challenge is to cost-effectively recover and utilize up to 100% of a cement plant's CO<sub>2</sub> emissions.

#### ALL ABOUT OXYFUEL TECHNOLOGY

In oxyfuel combustion, instead of ambient air, pure oxygen is fed into a cement kiln to obtain the high temperature necessary for production of clinker. This means that the CO<sub>2</sub> content of the exhaust gas is very high, thereby considerably facilitating its capture.



3%

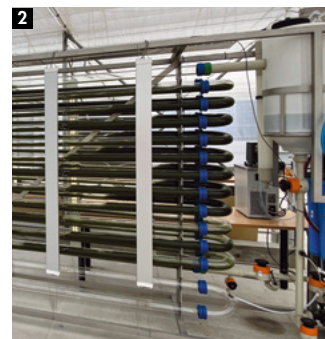
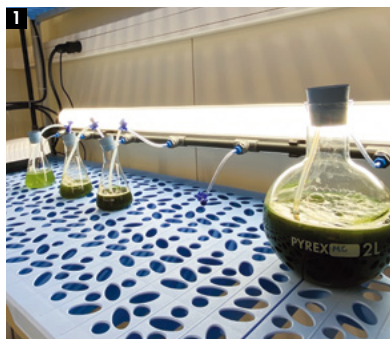
The proportion of total CO<sub>2</sub> emissions in the European Union resulting from the manufacture of cement

### 2- CIMENTALGUE



#### CO<sub>2</sub> TO PRODUCE MICROALGAE

At the Montalieu-Vercieu cement plant in France's Alpine region, together with AlgoSource Technologies, TotalEnergies, and the University of Nantes, Vicat has since 2021 been working on the first industrial demonstrator using waste heat and CO<sub>2</sub> from the cement manufacturing process to grow algae such as spirulina. What is known as the CimentAlgue research project is trialing the process with different microalgae farming methods under real-life conditions to demonstrate their industrial and economic viability. The project received financial support from France's Ecological Transition Agency (ADEME) for the 2014 BIP call for proposals (BIP: bioresources, industry, performance).



- 1 Vicat is trialing growth of spirulina, microalgae rich in phycocyanin, a protein known for its antioxidant properties.
- 2 The tubular photobioreactor (PBR) cultivation system is fed with hot water produced using waste heat from the kiln and with CO<sub>2</sub> taken from the exhaust stack.



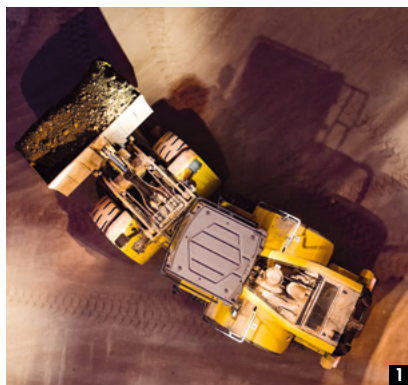
## Decarbonized mobility

### Welcome to the age of green fuel

THE GROUP IS MULTIPLYING ITS INITIATIVES REGARDING SUSTAINABLE TRANSPORTATION. NEW LOW-CARBON SYNTHETIC FUELS ARE GRADUALLY REPLACING OIL-DERIVED FUELS. NEW PRACTICES ARE BEING IMPLEMENTED AROUND THE WORLD.

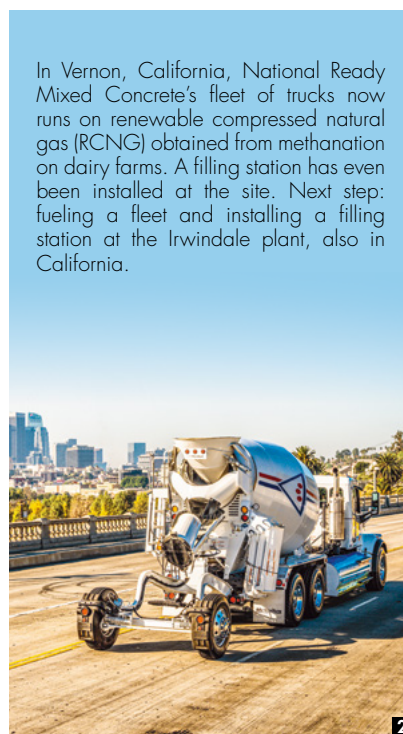


#### SWITZERLAND



For its quarry plant and road haulage vehicles, Vigier is replacing conventional diesel with second-generation biodiesel derived from waste such as used cooking oil, animal fat, and HVO (hydrotreated vegetable oil). More than 1 million liters of this non-fossil fuel were consumed by Vigier's fleet of vehicles in 2021. The substitution rate is 30.4%.

#### UNITED STATES



In Vernon, California, National Ready Mixed Concrete's fleet of trucks now runs on renewable compressed natural gas (RCNG) obtained from methanation on dairy farms. A filling station has even been installed at the site. Next step: fueling a fleet and installing a filling station at the Irwindale plant, also in California.

#### FRANCE



Under the Zero Emission Valley project sponsored by the Auvergne-Rhône-Alpes region, and under a joint venture with Hympulsion (Michelin, Engie, Crédit Agricole, and Banque des Territoires), Vicat has installed the first hydrogen filling station in Chambéry, in the French Alps. A second station will be installed at Vicat's Saint Égrève cement plant in the course of 2022.

- 1** Wheeled loader, Péry-Reuchenette cement plant (Switzerland)
- 2** National Ready Mixed RCNG concrete truck (United States)
- 3** Artist's impression of the Saint Égrève hydrogen filling station (France)



**15**

The number of Vicat sites in France—including four cement plants—using Oleo100 fuel for their vehicles. Oleo100 is a biodiesel made from 100% rapeseed grown and processed in France. Vicat is the country's first industrial group to choose a B100 grade fuel to replace conventional off-road diesel for its site plant. Running on Oleo100 reduces greenhouse-gas emissions by at least 60% as compared to fossil diesel.

#### VICAT ROADMAP

In 2021, in compliance with changes to regulations, Vicat deployed a new initiative linked to its mobility plan throughout the Group's businesses. Many new actions were launched, and others reinforced:

- ▶ 'greening' of the vehicle fleet
- ▶ encouragement to use bikes (conventional and electric)
- ▶ installation of 60 power charging points
- ▶ taking trains for home-to-work commuting and business travel
- ▶ deployment of a vehicle-sharing scheme
- ▶ promotion of the internal Green Travel policy
- ▶ promotion of car pooling

## HyNoVi Production of decarbonized methanol

FACED WITH THE COMPELLING NEED TO ACHIEVE CARBON NEUTRALITY BY 2050, VICAT IS WORKING WITH HYNAMICS TO ESTABLISH FRANCE'S FIRST INDUSTRIAL STREAM PRODUCING METHANOL FROM CO<sub>2</sub>.

As a member of a consortium led by Hynamics, a subsidiary of energy-provider Groupe EDF that specializes in production of hydrogen, Vicat is developing an integrated solution for capturing CO<sub>2</sub> at its cement plants. The CO<sub>2</sub> emitted during the manufacture of cement will be captured as it exits the kiln and combined with hydrogen to make carbon-free methanol that can be used as a marine fuel or in the chemicals industry. Known as HyNoVi, the project sets out to create the first chain of production for this clean fuel in France while at the same time making a very significant reduction to the carbon footprints of Vicat cement plants. The Montalieu-Vercieu facility, the Group's French plant with the highest capacity, was chosen to conduct trials with the process developed by the two partners. After installing an electrolyzer with capacity in excess of 330 MW at the cement plant, Vicat hopes to make progress towards its goal of being net-zero carbon throughout its value chain by 2050. Hynovi is one of 15 projects to have received prenotification of their participation in the Important Projects of Common European Interest (IPCEI) program. Its funding is being studied by the European Union. It is also aligned with the French government's objectives regarding decarbonization of industry and energy independence, for which synthetic fuels are seen as one of the main forces of change. This ambitious project also contributes to the emergence of a hydrogen sector and the development of its innovative technologies. Once proven, it could be duplicated in other industries in Europe and throughout the world.



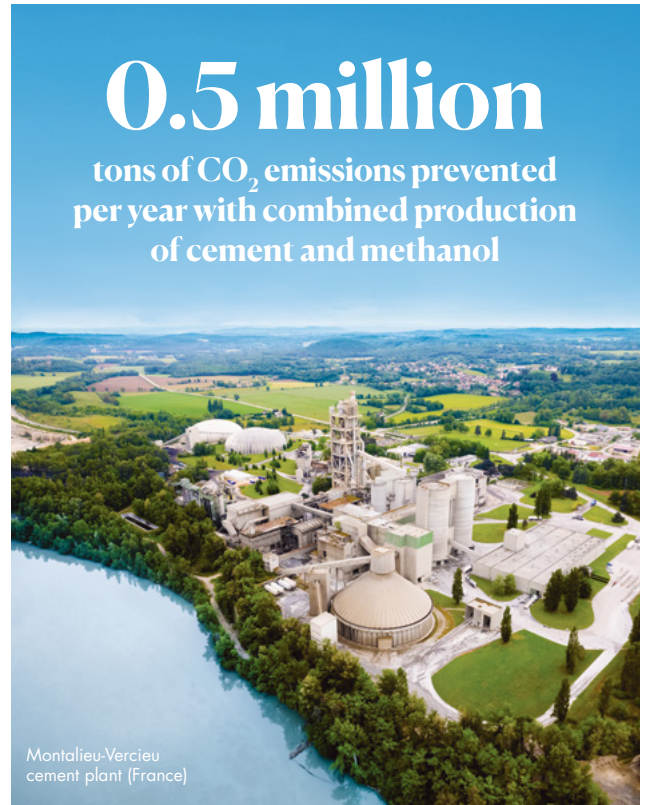
**40%**

The proportion of CO<sub>2</sub> emitted by the Montalieu-Vercieu cement plant that is expected to be captured to produce carbon-free methanol



**200,000 TONS**

The goal for annual carbon-free-methanol production, i.e. one fourth of France's current demand that can be met locally very soon



Montalieu-Vercieu  
cement plant (France)



## BathyReef Concrete for marine biodiversity

ON LAND AND ON SEA, VICAT MAKES A POINT OF WORKING TO DEVELOP SPECIAL PRODUCTS UNDER PARTNERSHIPS. THANKS TO CONCRETE 3D PRINTING, THE GROUP MAKES SEA-FLOOR EXPLORATION SIMPLER.

### What lies on the sea bed?

BathyReef is a means of finding answers to this question. The project involves sinking a concrete colonization support to a depth of 2,400 meters offshore from Toulon, on France's Mediterranean coast, to serve as a support for biodiversity and the BathyBot robot that takes underwater photos for studying marine flora and fauna as well as bioluminescence. The geometrical freedom associated with concrete 3D printing meant the support could adopt a biomimetic design resembling the fine, distinctively branched structure of sea

sponges. Smart-Up—a fiber-reinforced ultra-high-performance concrete that, because of its level of performance, substantially reduces the amount of material required—was used to print around fifteen modules that were assembled on a concrete slab.



BathyBot robot (France)

### PARTNERS IN BATHYREEF PROJECT

- **Mediterranean Institute of Oceanography**  
The Marseilles-based research and teaching institute includes oceanography, climate science, digital technology, robotics, and marine engineering among its skills.
- **Rougerie + Tangram**  
Architectural consultancy specializing in innovation and biomimetic rendition for projects on land, beneath the sea, and in space
- **Ifremer**  
The French Institute for Research into Use of the Sea is a governmental organization working in marine sciences and technology.

15

LIFE  
ON LAND

## Preservation of biodiversity

### The wonderful odyssey of pollinators and bees



Concrete planter

CONSCIOUS OF ITS RESPONSIBILITIES WITH RESPECT TO BIODIVERSITY, THE GROUP IS TAKING ACTION TO PRESERVE NATURAL BALANCES ON ALL ITS SITES.

To ensure that wild bees and other pollinating insects can enjoy the best possible conditions for surviving and breeding in its quarries and at its concrete batching and cement

plants, Vicat has been involved in the Odyssée program, at the national level, since 2015. Across its facilities in France, the company has set up resources to provide insects with the nectar they need and, more generally, conditions conducive to their development, by sowing wildflower meadows, planting trees, and installing planters doubling as insect hotels. So far six heritage orchards have been planted. Two of these are at cement plants in France (Montalieu-Vercieu and Maizières). In conjunction with not-for-profit *Les Croqueurs de Pommes*, local and heirloom varieties of fruit trees have been planted in earth derived from quarrying by-products. The Odyssée program also involves R&D into urban biodiversity that is carried out under a partnership with the INRAE national institute for agricultural, food, and environmental research. Its work studies the nesting and survival of wild bees in modular concrete units produced by Vicat. Though trials are ongoing across Vicat sites in 2021, suggest that the units are conducive to the preservation of bees.



**GUILLAUME MICHALLET**  
Agricultural engineer with Satma

“Bees and other pollinating insects play a major role in fruit production and the growth of plants we depend on for food. With the Odyssée program, the Group demonstrates that an industrial concern can be compatible with a sustainable and responsible approach to biodiversity.”

## Nursing animals back to life

VICAT SPONSORS TWO FRENCH NOT-FOR-PROFITS THAT CARE FOR INJURED WILD ANIMALS.



### **Le Tichodrome, wildlife protection center (Alpine region, France)**

Le Tichodrome, a care center that takes in injured, sick, or weakened birds and small mammals, is located in Vicat's Le Gua quarry (Alpine region, France).



### **Tétras Libre, Savoy Region Wildlife Protection Center**

Tétras Libre takes in, cares for, and reeducates distressed animals before releasing them back to their natural environment. Located a few kilometers outside Chambéry, it is managed by *France Nature Environnement* (FNE) and the *Ligue de Protection des Oiseaux* (LPO) bird protection league.

**35**

The number of Vicat sites involved in sowing wildflower meadows (quarries, cement plants, ready-mixed-concrete batching plants) and planting fruit orchards and other trees

**25,920**

The number of trees planted at Group sites in 2021





## VICARE

### Social insurance for all

THE COMPANIES OF THE GROUP ARE FULLY CONSCIOUS OF THEIR RESPONSIBILITIES TOWARD THEIR EMPLOYEES, SO THEY PROVIDE SOCIAL INSURANCE IN ACCORDANCE WITH THE CONDITIONS AND OBLIGATIONS OF THE COUNTRIES CONCERNED.

VICARE, the Group's social insurance policy, which covers health, benefits, pensions, and unemployment, protects employees and their families from life's uncertainties. It is an investment of the greatest importance for the development and fulfillment of human resources that in particular helps the most vulnerable.

#### CHRISTOPHE BÉRENGER

Senior Executive Vice President,  
Human Resources Officer



**Every year, VICARE enhances the services it provides throughout the world, thanks to the work of local management and labor organizations, backed by the Group Human Resources department.**



## Gender

### Zero pay gap



#### DID YOU KNOW?

Since 2018, and for the first time in the history of the Group and no doubt also across the whole of French industry, for a company the size of Vicat, the central representative of trade union *Force Ouvrière* has been a woman, Patricia de Concini.

EQUAL TREATMENT OF EMPLOYEES, IRRESPECTIVE OF GENDER, IS A SOLEMN COMMITMENT OF THE GROUP WITH REGARD TO RECRUITMENT, PROMOTION, AND PAY. IT IS THE FOUNDATION OF THE GROUP'S HUMAN RESOURCES POLICY AND ITS PERFORMANCE.



**1,097**

The number of women employed by the Group, i.e. 11.5% of the headcount

A detailed post-by-post comparison of the pay of male and female employees carried out jointly with labor organizations revealed that in 2021 the gap was close to 0% in terms of both numbers and value. This result is explained by the special attention the Group pays to equal treatment of all its employees, which is the basis of its human resources policy and Vicat performance. In accordance with the culture of the countries where Vicat works, appropriate steps are taken to ensure that women can find employment and training and that they are treated equitably in terms of pay and promotion despite the complications associated

with the industrial nature of Vicat's business and the jobs on offer. Accordingly, in 2021 the Group worked further to 'de-gender' jobs in the minds of both recruiters and applicants. For example, it is requested that women applicants be systematically proposed, even for jobs typically occupied by men. This has meant that in 2021, for three supervisory management positions at the head office of our subsidiary Gécamines in Senegal, two of the successful candidates were women.

#### PROPORTION OF WOMEN EMPLOYEES PER PROFESSIONAL CATEGORY

MANAGEMENT **16.4%**

CLERICAL **23.0%**

PRODUCTION **2.5%**



**89/100**

Vicat SA's gender-equality index in 2021 (across all companies in France). The Chairman & CEO has decided to have this index applied to Vicat entities in all the countries where the Group works. Each company has an action plan for scoring 100.

3 GOOD HEALTH  
AND WELL-BEING

## Safety

### Sound working environment

BECAUSE IMPROVEMENT OF EMPLOYEE SAFETY AND WORKING CONDITIONS RELIES ON CHANGES IN HUMAN BEHAVIOR, THE GROUP CONTINUES TO INTENSIFY AND UNFOLD ITS SAFETY CULTURE, WITH A CRUCIAL GOAL OF ZERO ACCIDENTS.

The main safety indicators recorded for the Group in 2021, primarily the number of lost-time accidents and the frequency rate, are close to the levels of 2020. Once again this year, they reflect the commitment and efforts of management and personnel in terms of health and safety. Ensuring the health and mental and physical

safety of employees is more than ever one of Vicat's cardinal values. Year on year the goal remains the same: zero accidents, for our own personnel of course and also for temporary staff and external contractors. This determination is expressed in the form of quarterly awareness campaigns the Safety department organizes in all the countries where the Group works. Support materials (posters and notices) translated into all the languages we use allow managers to raise staff awareness of these vital issues. The Group also dispensed health & safety training to 100% of its personnel in 2021. In addition, the Group's Health

& Safety unit recruited a Fire & Emerging Risks expert with responsibility for setting up an action plan based on audits of existing facilities in order to take the corrective actions that might be required and to improve fire safety generally, as well as to reduce the potential consequences of fire. Work on this action plan will continue in 2022: personnel will take part in firefighting training sessions under the most realistic conditions possible.

#### SAFETY RECORD IN 2 NUMBERS

**0**  
The number of fatal occupational accidents across the Group

**0.24**  
The accident-severity index in 2021, down on 0.28 in 2020



#### THE GROUP AND COVID-19

In 2021, as a result of strict compliance with measures for combating Covid-19 (mandatory masking, distancing, protective equipment, etc.), the Group recorded no clusters or contamination in its facilities.



2



1

- 1 Employee in India  
2 Safety check at Saint Jean le Vieux quarry (France)



## Training A key to performance

THE GROUP'S EMPLOYEES ARE CONSTANTLY OFFERED TRAINING COURSES TO KEEP UP WITH THE EVOLUTION OF THEIR JOBS, ESPECIALLY WITH RESPECT TO HEALTH & SAFETY AT WORK, ECOLOGICAL TRANSITION AND CYBERSAFETY.



**195,269**

The number of hours of training dispensed across the Group in 2021. This is up 38.7% over a year.



**100%**

The proportion of employees who had at least one occupational health & safety training course in 2021, including the total time of toolbox safety sessions

In 2021, the Group training plan focused on health & safety in the workplace, energy transition, protection of biodiversity, sparing use of resources, circular economy, digital technology and addressing the risk of cyber-attacks, managerial performance, industrial and commercial performance, and social inclusion. Through many hours spent acquiring new knowledge and skills, enabling them to adapt to the ongoing changes in their positions, work, and markets, employees can achieve their defined performance targets and thus

ensure their employability. The commitment of management, labor organizations, and personnel to the development of training helps maintain a high level of employee performance. In 2021 the Group also engaged an IMS (Learning Management System) digital training program in order to boost its in-house training offer tailored to the operational and regulatory requirements of its personnel.

Award of training certificates to cement-plant electricians and mechanics, in partnership with the La Mache school (France)



### DID YOU KNOW?

In France, in order to help provide opportunities for training in the materials industry, Vicat undertook to have students in cooperative education programs account for 5% of its personnel. In 2021 this level was surpassed, reaching 5.5%. Associated with this is another target, that of gender equality. In 2021, 40% of CEP personnel were female, 60% male.



## 8 DECENT WORK AND ECONOMIC GROWTH



## Through the long-term local jobs it generates, Vicat actively contributes to the vitality of the regions where it works

As of December 31, 2021, the Group had 9,515 employees worldwide. Of these, 94% are on open-term contracts. The number of employees dropped 3.2% relative to 2020, in large part as a result of the sale of Swiss subsidiary Creabeton Matériaux, the transfer of some of the personnel in Egypt to subcontracting firms, and staff reductions in the Aggregate business in Senegal. The loss of these employees was attenuated in large part by an increase of the workforce in France, due to the creation of positions addressing ecological transition (climate strategy, decarbonization, protection of biodiversity, circular economy, etc.), digital transition of operations, winning of new markets and major projects, higher volumes of business, the development of cooperative education programs, and the acquisition of companies in the Concrete business. As in previous years, employees of Group companies were drawn from the labor catchments in which they operate.



### HEADCOUNT AS OF DECEMBER 31, 2021, BY GEOGRAPHICAL AREA

France .....	<b>3,130</b>
Rest of Europe.....	<b>758</b>
Americas .....	<b>2,177</b>
Asia .....	<b>1,207</b>
Africa .....	<b>939</b>
Mediterranean.....	<b>1,304</b>



9<sup>th</sup>-graders from Top-Priority City Neighborhoods during a visit organized by not-for-profit *Tous en Stage* which helps secure positions under France's mandatory work-experience program through which youngsters can learn about a multitude of job possibilities.

## 10 REDUCED INEQUALITIES



## Social inclusion A caring, socially responsible Group

SOCIAL INCLUSION RECEIVES MORE THAN JUST LIP SERVICE AT VICAT. THE COMPANY'S HUMAN-RESOURCES POLICIES ARE BUILT AROUND RESPECT AND PROMOTION OF THE VALUES ON WHICH THE GROUP'S CULTURE IS BASED. THEY BEAR THE ISSUES OF SOCIAL TRANSITION AND COMMUNITY OUTREACH IN MIND.

The Group's transmission of know-how and its commitment to people alienated from employment opportunities are in its DNA. To assist these people, steps are taken throughout the year. These include the organization of visits to our facilities by the long-term unemployed, proposal of work-placement opportunities, and recruitment of young unemployed people on open-term contracts, followed by training. In India, for example, close to 400 villagers, many of whom are illiterate and uneducated, learned

the skills required to work in concrete and were subsequently hired by the Kalburgi and Bharathi cement plants. In France, via partnerships with social insertion bodies, and especially youth-employment services, the 'Second-Chance School', and job centers, the Group implements a policy for recruitment of persons alienated from job markets in the places where it works. Open-term contracts have been given to persons from Top-Priority City Neighborhoods and Rural Revitalization Zones. In 2021, 15 Vicat mentors gave guidance to youngsters fostered by not-for-profits *Sport dans la Ville* and *Institut Télémaque*, while partnerships with NFPs *Tous en Stage* and *Les Entreprises* meant Group businesses hosted 9<sup>th</sup>-graders from schools within the Priority Education Network scheme for their mandatory work experience internships.

## Employment: intergenerational teams

**For the Group's recruitment, training, and pay policies, having a great diversity of ages among employees is a factor that enhances performance.**

The profiles of junior and senior employees recruited in 2021 illustrate the result of our policies. Taking working conditions and health & safety in the workplace into consideration,

management strives to keep Vicat personnel in employment throughout their professional careers, by taking special care to provide regular up-to-the-minute training so that they are at the highest levels in terms of employability, skills and performance.



**70%**

The proportion of Group employees less than 50 years old

**38.6**

The average age of Group personnel in 2021



### DID YOU KNOW?

#### Campaign for employment of the disabled

From November 15 to 21, 2021, during the European Disability Employment Week, Vicat rolled out a special communication campaign involving posters showing employees with disabilities working with their colleagues. These scenes of successful teamwork help raise awareness of the issue and combat lingering stereotypes.

## Unswerving policy adapted to persons with disabilities

### In 2021 Vicat set up a Handicap Committee

whose members are the Chair of the Louis Vicat Foundation, Sophie Sidos, and representatives of management, employees, and labor organizations. Its purpose is to promote and guide initiatives regarding awareness, in-house communication, workplace adjustment, and recruitment.

**7.7%**

**At the Montalieu-Vercieu cement plant, the industrial flagship of the Group in France, employees with disabilities account for 7.7% of the workforce. They are all in industrial positions.**



# Agile, independent governance

More than 62% of the capital of the Vicat group is held by historical and family shareholders. This gives the Group the greatest autonomy for action, decision making, and reaction.

The company is managed bearing longevity and compliance with commitments in mind, and with strong awareness of the common interest.

GOVERNANCE



# Governance and shareholding

## Governance

### OPERATIONAL EXECUTIVES

**Guy Sidos**, Chairman & CEO

**Didier Petetin**, Joint COO, senior executive in charge of business in France (excluding Paper)

**Lukas Epple**, Joint COO, Strategy officer

### SENIOR EXECUTIVE VICE PRESIDENTS

**Éric Bourdon**, Industry & Innovation officer, Chief climate officer

**Philippe Chiorra**, Chief legal officer

**Éric Holard**, Country director, United States

**Hugues Chomel**, Chief financial officer

**Christophe Bérenger**, Human resources officer

### AUDIT COMMITTEE

Rémy Weber, Chairman

Delphine André

Xavier Chalandon

Éléonore Sidos

### COMPENSATION COMMITTEE

Xavier Chalandon, Chairman

Rémy Weber

Bruno Salmon

### CSR COMMITTEE

Sophie Sidos, Chairwoman

Bruno Salmon

Sophie Fégueux



Jacques Merceron-Vicat



Guy Sidos



Delphine André



Xavier Chalandon



Louis Merceron-Vicat



Hugues Metz



Sophie Sidos

## Board of Directors



**Sophie Féguéux**



**Rémy Weber**



**Emmanuelle Salles**



**Bruno Salmon**



**Éléonore Sidos**

## SHARE CAPITAL

As of December 31, 2021, the company's share capital amounted to 179,600,000 euros, consisting of 44,900,000 shares with par value of 4 euros each.

# 61.6%

**Family  
shareholders**

# 36.8%

**Public (including  
1.31% employees)**

# 1.6%

**Treasury shares**

## **AUDITORS - INCUMBENTS**

KPMG Audit  
Wolff & Associés SAS

# Non-financial indicators



## PLANETARY RESPONSIBILITY

**CO<sub>2</sub> emissions  
across  
the Group**  
**624 kg**  
CO<sub>2</sub> net/ton  
of cement eq.

**CO<sub>2</sub> emissions  
in Europe**  
**544 kg**  
CO<sub>2</sub> net/ton  
of cement eq.

**Alternative-fuel  
usage**  
**26.2%**  
and 62.9%  
in Europe

**Clinker content  
of cement**  
**78.9%**

**Self-generated  
renewable  
electricity**  
**4.8%**  
of total electricity  
consumption



## RESPONSIBLE EMPLOYER

**Accident-severity  
index**  
**0.24**

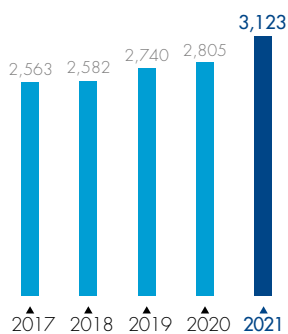
**Accident-frequency  
index**  
**5.8**

**Proportion  
of women in  
Group workforce**  
**11.5%**



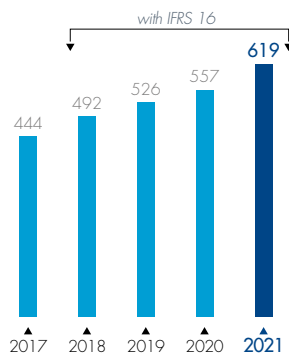
# Financial indicators

**Consolidated net sales**  
(in millions of euros)



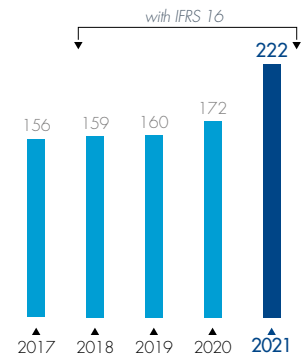
Consolidated sales for 2021 amounted to €3,123 million, up 11.3% as reported, compared to 2020, and up 16.2% at constant scope of consolidation and exchange rates.

**EBITDA<sup>(1)(2)</sup>**  
(in millions of euros)



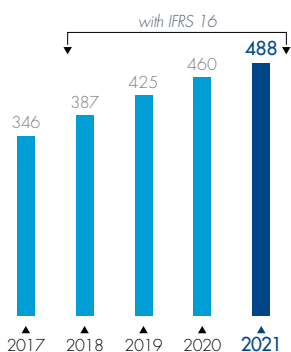
At €619 million, the Group's consolidated EBITDA rose 11.1% relative to 2020 and 14.5% at constant scope of consolidation and exchange rates.

**Consolidated net income<sup>(2)</sup>**  
(in millions of euros)



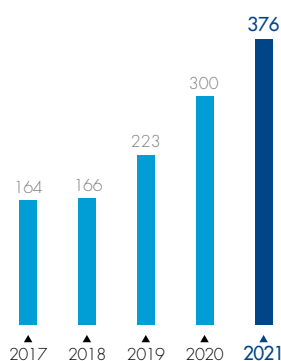
Consolidated net income amounts to €222 million, up 29.1%, and up 31.8% at constant scope of consolidation and exchange rates.

**Cash flow from operations<sup>(2)</sup>**  
(in millions of euros)



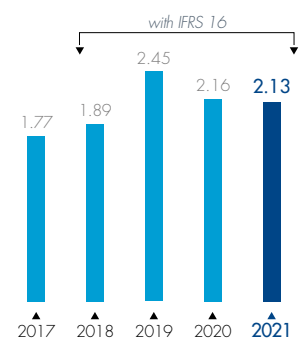
Operating cash flow amounted to €488 million, generating free cash flow of €63 million euros in 2021.

**Net industrial investment disbursed**  
(in millions of euros)



Industrial investment disbursed amounted to €376 million in 2021.

**Net debt/EBITDA<sup>(2)</sup>**



Leverage<sup>(3)</sup> is 2.13 times EBITDA at December 31, 2021, compared with 2.16 at the end of 2020.

(1) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): the total of gross operating income and other ordinary income and expenses.

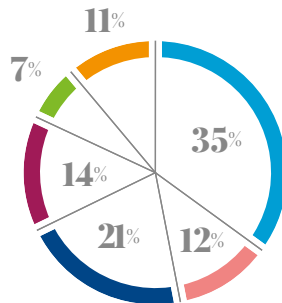
(2) The figures for 2018 have been restated in accordance with IFRS 16.

(3) Gearing is a financial ratio used to determine ability to repay debt. It is the ratio of net debt to EBITDA.

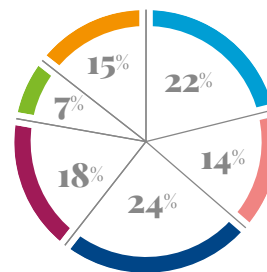
### Breakdown per geographical area

- France
- Rest of Europe
- Americas
- Asia
- Mediterranean
- Africa

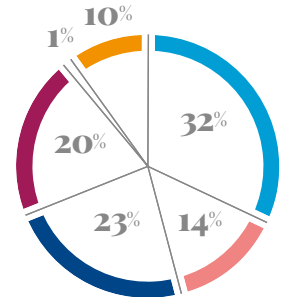
Operating sales  
(in %)



Net capital employed  
(in %)



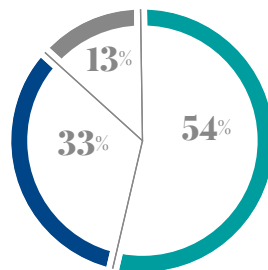
EBITDA  
(in %)



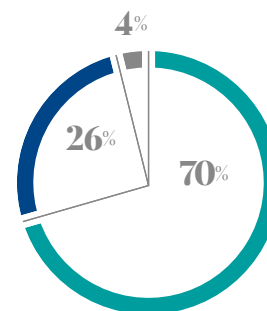
### Breakdown per business

- Cement
- Concrete & aggregate
- Other products & services

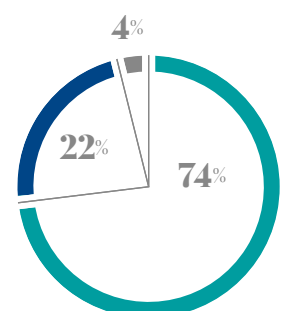
Operating sales  
(in %)



Net capital employed  
(in %)



EBITDA  
(in %)



### Dividend

Data per share

Based on results in 2021, and confident in the Group's ability to sustain its ongoing development, the Board of Directors has decided to propose that the Annual General Meeting of shareholders on April 13, 2022, vote to increase the dividend to 1.65 euros per share.

	EARNINGS PER SHARE (in euros)	DIVIDEND PER SHARE (in euros)
2019	3.31	1.50
2020	3.47	1.50
2021	4.55	1.65

# Shareholder and investor relations



Showroom at Vicat headquarters in L'Isle d'Abeau (France)

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**Symbol:** VCT

**ISIN code:** FR0000031775

**Sicovam:** 03177

**Bloomberg:** VCT.PA

**Reuters:** VCTP.PA

## FINANCIAL REPORTING CALENDAR

**FEBRUARY**  
**15**  
**2022**

2021 sales  
and earnings

**APRIL**  
**13**  
**2022**

Annual General  
Meeting

**MAY**  
**04**  
**2022**

Q1 2022 sales

**JULY**  
**27**  
**2022**

H1 2022 sales  
and earnings

**NOVEMBER**  
**07**  
**2022**

9 months 2022 sales

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