ANNUAL REPORT 2024

WE ARE A MULTI-REGIONAL INTERNATIONAL GROUP, FOCUSED ON CEMENT AND READY-MIX CONCRETE.

WE OPERATE WITH INTEGRITY, CONSISTENCY, A LONG-TERM VISION, STABLE OWNERSHIP AND DEDICATED MANAGEMENT. ATTENTION TO COLLEAGUES, WORK SAFETY AND RELATIONSHIPS WITH LOCAL COMMUNITIES IS FUNDAMENTAL TO OUR DAILY ACTIONS.

WE CREATE VALUE THROUGH DEEP KNOW-HOW, PROCESS INNOVATION, EFFICIENT AND ENVIRONMENTALLY FRIENDLY ASSETS, OFFERING OUR CUSTOMERS INCREASINGLY SUSTAINABLE HIGH-QUALITY PRODUCTS.

Contents

This document, issued in Italian (original version) and English (non-binding version), is in PDF format to facilitate reading and does not represent the official version in ESEF format, established by the European Commission Regulation 815/2019 to fulfil the disclosure requirements set by the Directive 2004/109/EC (so-called Transparency Directive)

AREA 907, Trino Plant, Italy

Directors and statutory auditors

Boards of Directors

Veronica BUZZI[1]	Chairman
Pietro BUZZI[2]	Chief Executive Officer
Paolo BURLANDO[3]	Director
Luigi (Gigi) BUZZI	Director
Luigi BUZZI	Director
Aldo FUMAGALLI ROMARIO[3]	Director
Linda Orsola GILLI	Director
Marcella LOGLI	Director
Antonella MUSY[3]	Director
Giovanna VITELLI	Director

Statutory Auditors

Raffaella PAGANI	Chairman
Paola Lucia GIORDANO	Statutory Auditor
Giorgio ZOPPI	Statutory Auditor
Roberto D'AMICO	Alternative Auditor
Giulia DE MARTINO	Alternative Auditor

General Manager

Dirk BEESE[4]	General Manager

[1] appointed Chairman by the Board of Directors on 12 May 2023;
[2] appointed Managing Directors by the Board of Directors on 12 May 2023, with powers of ordinary and extraordinary administration;
[3] members of the Control and Risk Committee.
[4] appointed General Director by the BoD of 12 May 2023, effective 1 July 2023, with powers of ordinary and extraordinary administration

Headquarters of SAB-Bank, Leipzig, Germany

Review of operations

INTRODUCTION

The annual financial report of Buzzi SpA aims to present, in a single document, the consolidated financial performance along with environmental, social and governance information. As a company listed on a regulated market, Buzzi SpA is required to prepare both consolidated and statutory financial statements in compliance with the IFRS standards issued by the International Accounting Standards Board and endorsed by the European Union. Furthermore, in accordance with Legislative Decree 125/2024, which transposes the EU Corporate Sustainability Reporting Directive (CSRD), starting from this year the consolidated sustainability reporting - prepared in accordance with the new European Sustainability Reporting Standards (ESRS) - is integrated into the Review of Operations.

In this annual financial report, for a better understanding of the economic, equity and financial performance compared to what is provided by the IFRS principles, some alternative performance measures are presented and analyzed. Although widely used, these measures are not defined or specified by accounting principles. Their meaning and content are illustrated in the Alternative Performance Measures section.

Independent audit
The financial statements as of 31 December 2024 have been subjected to independent audit, as provided for by current regulations. The Shareholders' Meeting on 12 May 2022 appointed PricewaterhouseCoopers SpA as independent auditor for the financial years from 2023 to 2031.
Pursuant to the applicable regulations, the consolidated sustainability reporting for the 2024 year has also been subjected to a compliance attestation with ESRS principles by the auditing firm (limited assurance).

Approval of the financial statements by the Shareholders' Meeting
It should be noted that, considering the provisions of the company's bylaws and the fact that the company prepares the consolidated financial statements, the Shareholders' Meeting is convened within 180 days from the end of the financial year.

Report on corporate governance and ownership structure
The annual report on corporate governance and ownership structure, as well as on compliance with the Corporate Governance Code promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria, is published simultaneously with the review of operations, in a separate document, which is available for consultation on the company's website buzzi.com under the Investors/Corporate Governance section.

Branch offices
The company does not have any operational branch offices.

Information pursuant to Consob Markets (No. 20249/2017) and Issuers' (No. 11971/1999) Regulations
Buzzi SpA is not subject to the management and coordination activity of any company or entity, as management decisions and general and operational strategic directions of the company are defined by the latter in full autonomy without directives or orders being imparted by the parent company.

In the cases provided for by Articles 70 and 71 of the Issuers' Regulation, the company avails itself of the option to derogate from the obligation to publish Information Documents regarding significant transactions such as mergers, demergers, capital increases through contribution of assets in kind, acquisitions and disposals.

SHARES, SHAREHOLDERS AND PERFORMANCE INDICATORS

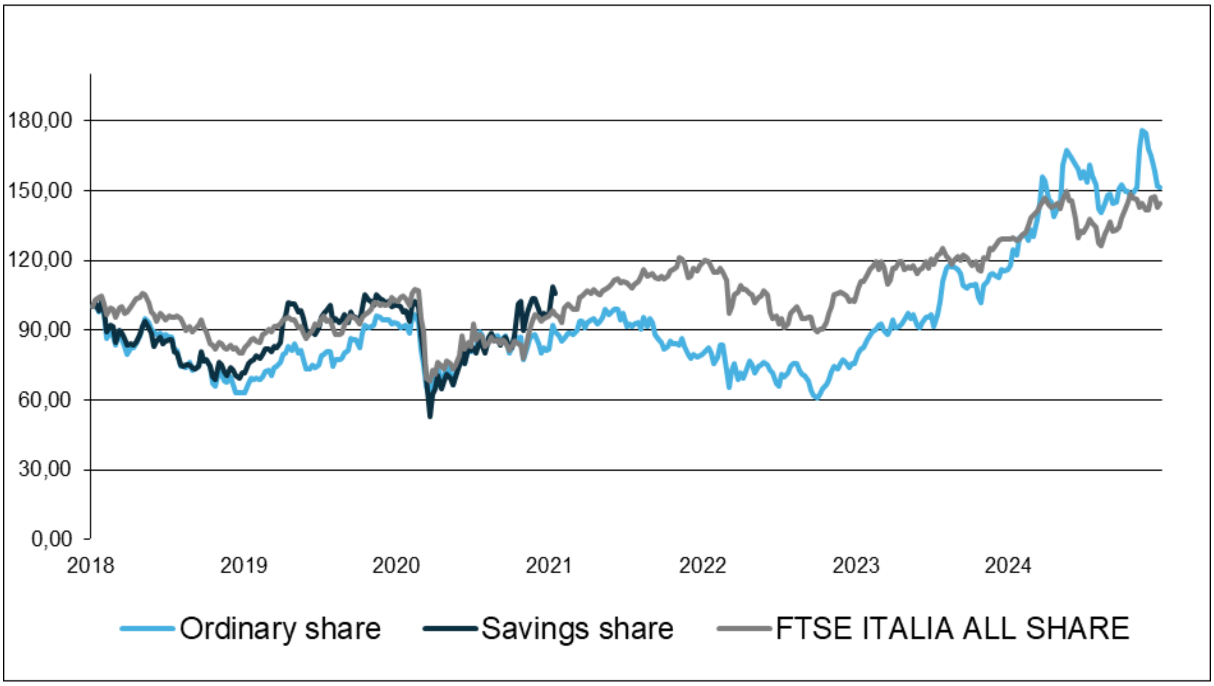
The ordinary shares of Buzzi (BZU.MI) are listed on the Euronext Milan Stock Exchange managed by Borsa Italiana. Market capitalization as at 31 December 2024 was €6,858 million. Each share is entitled to one vote, without prejudice to the possibility, introduced in the bylaws by the extraordinary shareholders' meeting of 9 May 2024, of obtaining the allocation of two votes for each share held by a shareholder who has requested registration in a special list and has maintained it for a continuous period of no less than 24 months from the registration date.

TRADING IN BUZZI UNICEM SHARES

	Ordinary shares	Savings shares	Ordinary shares	Savings shares
Reference period	**number**	**number**	**€m**	**€m**
Year 2018	195,237,204	20,433,371	3,818.7	221.6
Year 2019	173,589,804	20,591,261	3,313.2	256.9
Year 2020	179,692,420	35,465,394	3,434.5	425.5
Year 2021	160,292,352	1,933,395	3,402.8	27.5
Year 2022	136,519,656	-	2,367.0	-
Year 2023	76,741,470	-	1,801.0	-
Year 2024	**73,341,151**	**-**	**2,658.9**	**-**

PRICE TREND OF BUZZI SHARES

(base January 2018= 100)



DISTRIBUTION OF SHAREHOLDINGS*

(ordinary shares)

	No. Shareholders	in %	No. Shares	in %
1 - 1.000	9,377	78.71	2,091,096	1.09
1.001 - 10.000	1,790	15.03	5,049,357	2.62
10.001 - 100.000	580	4.87	22,043,010	11.44
100.001 -	166	1.39	163,438,623	84.85

* Referred to the ex-dividend date (20 May 2024)

A total of 66,089,828 ordinary shares - corresponding to approximately 34.3% of the capital - are held by foreign investors.

MARKET CAPITALIZATION

As at 31 December 2024 (milions of euro)

2018	2,872
2019	4,265
2020	3,755
2021	3,652
2022	3,470
2023	5,319
2024	**6,858**

CAPITAL STRUCTURE

As at 31 December 2024 (in %)

Presa SpA (Buzzi Family)	82,747,000	42,96
Fimedi SpA (Buzzi Family)	19,252,563	9,99
Treasury shares	11,553,586	6,00
Free Float	79,073,005	41,05
Totale shares	**192,626,154**	**100,00**

During 2024, the company purchased no. 4,059,270 treasury shares, equal to 2.1% of the share capital. Subsequently and up to the date of this report, further no. 47,690 treasury shares have been purchased. Therefore, as of today, taking into account the shares already held in the portfolio, the company holds a total of no. 11,601,276 treasury shares, equal to 6.023% of the share capital.

KEY PER-SHARE DATA

Key per-share data (euro)	2018	2019	2020	2021	2022	2023	2024
Basic eps (ordinary)	1.86	1.88	2.72	2.82	2.46	5.22	**5.14**
Shareholders' equity per share	15.77	17.90	17.49	22.71	25.50	29.24	**34.29**
Price/earnings ratio	8,1x	12,0x	7,2x	6,7x	7,6x	5,5x	**7,3x**
Price at year-end							
ordinary shares	15.00	22.42	19.50	18.96	18.01	27.61	**35.60**
savings shares	9.62	13.72	13.04	-	-	-	**-**
Dividend per share[1]							
ordinary shares	0.13	0.15	0.25	0.40	0.45	0.60	**0.70**
savings shares	0.15	0.17	-	-	-	-	**-**
Yield							
ordinary shares	0.83%	0.67%	1.28%	2.11%	2.50%	2.17%	**1.97%**
savings shares	1.55%	1.27%	-	-	-	-	**-**

[1] 2024: proposed to shareholders at the Annual General Meeting

FINANCIAL PERFORMANCE INDICATORS

Consolidated financial statements

Performance Indicators (in %)	2024	2023	2022
EBITDA margin[1]	**29.6**	28.8	22.1
Return on sales (ROS)	**23.2**	22.8	12.4
Return on Equity (ROE)[2]	**14.3**	17.2	9.3
Return on Capital Employed (ROCE)[3]	**13.2**	16.1	7.8
Debt/Equity	**31.5**	35.0	52.8

[1] Ratio between EBITDA and Sales, it expresses the result of a company's typical business operations;
[2] Ratio between Net Profit and Shareholders' equity, which expresses the profitability of the latter;
[3] Ratio between EBIT and the difference between Total Assets and Current Liabilities. It indicates the efficiency and profitability of a company's capital investments.

Statutory financial statements

Performance Indicators (in %)	2024	2023	2022
Return on Equity (ROE)[1]	**12.1**	10.0	22.0
Debt/Equity	**57.8**	56.8	90.9

[1] Ratio between Net Profit and Shareholders' equity, which expresses the profitability of the latter

ALTERNATIVE PERFORMANCE MEASURES

Buzzi uses in its financial disclosure some alternative performance measures that, although widespread, are not defined or specified by the accounting standards that are applicable to the preparation of the annual financial statements or interim consolidated reports.
Pursuant to Consob Communication no. 92543/2015 and the guidelines ESMA/2015/1415 set out below are the definitions of such measures.

- **EBITDA:** subtotal presented in the financial statements; please refer to the consolidated income statement for the calculation.

- **EBITDA recurring**: it is calculated starting from the subtotal presented in the financial statements named EBITDA and applying to it the following adjustments (non-recurring income/expense):
  - restructuring costs, in relation to defined and significant plans
  - write downs/ups of current assets except trade receivables greater than €1 million
  - addition to/release of provisions for legal, fiscal or environmental risks greater than €1 million
  - dismantling costs greater than €1 million
  - gains/losses from the sales of fixed assets and non-instrumental real estate greater than €3 million
  - other sizeable non-recurring income or expenses (greater than €3 million), or rather attributable to significant events unrelated to the usual business.

The reconciliation between EBITDA and EBITDA recurring for the two comparative periods is as follows:

Consolidated financial statements

(millions of euro)	2024	2023
EBITDA	**1,276.1**	**1,243.2**
Restructuring costs	0.4	0.5
Gains on disposal of fixed assets	(4.9)	(9.3)
Other expenses	-	2.9
EBITDA recurring	**1,271.7**	**1,237.3**

Statutory financial statements

(millions of euro)	2024	2023
EBITDA	**(15.2)**	**(20.3)**
Other expenses	-	2.9
EBITDA recurring	**(15.2)**	**(17.4)**

- **Operating profit (EBIT)**: subtotal presented in the financial statements; please refer to the consolidated income statement for the calculation.

- **Net financial position**: it is a measure of the capital structure and corresponds to the difference between financial liabilities and financial assets, both short and long term. Therefore, it includes all interest-bearing liabilities or assets and those connected to them, such as derivative financial instruments and accruals.

- **Net debt or Net Cash**: it is a measure of the capital structure corresponding to the difference between financial liabilities, both short and long term, and short-term financial assets. Therefore, it includes all liabilities, the current portion of the interest-bearing assets and related items, such as derivative financial instruments and accruals. The measure complies with the guidelines ESMA32-382-1138.

BUSINESS REVIEW

INTERNATIONAL MACROECONOMIC FRAMEWORK

Global economic activity continued to expand in the final months of the year, albeit with evident divergences among major markets. As a matter of fact, growth remained solid in the United States and China, driven respectively by services and exports, while the economy in the Eurozone further weakened, penalized by domestic consumption and foreign demand. International trade slowed down in the third quarter, and frequency indicators suggest a similar trend also at year-end. Inflation in OECD countries has been declining, despite still elevated rates in the services sector. Since early October, oil prices have slightly increased, while natural gas prices have remained more volatile due to upward pressures on both demand and supply. The latest projections estimate global GDP growth of 3.2% in 2024, with a similar pace expected in the following two years (+3.3% in both 2025 and 2026). However, the macroeconomic outlook remains highly exposed to risks stemming from escalating geopolitical tensions and the tightening of US trade policy.

Looking at the main reference areas, the US economy remained solid, with real GDP increasing in the fourth quarter, albeit at a slower pace compared to the summer months, driven by resilient private consumption. In the labor market, the unemployment rate remained at low levels, while inflation, although declining, is still relatively high.

In the Eurozone, however, GDP stagnated in the fourth quarter, reflecting a positive trend in private and public consumption alongside a decline in investments. From a sectoral perspective, the industrial branch is estimated to have still contracted in the final months of the year, while the services sector showed slight expansion. Among the major markets, economic activity remained particularly weak in Germany, while it substantially stabilized in Italy. In this context, GDP growth expectations have been recently revised downward, signaling an increase of 0.8% for 2024 and 1% for 2025.

As regards emerging economies, after a slight acceleration in the third quarter, the Mexican economy is estimated to have slowed down in the autumn, with signs of weakness in the industrial sector and a weakening domestic demand. In contrast, economic activity in Brazil continued to exceed expectations in the third quarter, driven by strong consumer dynamics, supported by a robust labor market and an expansionary fiscal policy.

With regard to monetary policy decisions, in the autumn months, the Federal Reserve and the European Central Bank implemented two consecutive rate cuts in November and December. Among emerging economies, Mexico also continued easing its monetary tightening with two sequential cuts during the quarter, while in Brazil, the central bank raised the benchmark interest rate in its last two meetings of 2024.

OPERATING AND FINANCIAL PERFORMANCE

Starting from the fourth quarter of the year under review, the group's operating and financial performance was marked by significant changes in the scope of consolidation, following, on the one hand, the sale of the business in Ukraine and, on the other, the acquisition of the remaining 50% stake in the joint venture operating in Brazil.

On a like-for-like basis, cement sales at consolidated level would have declined due to subdued demand growth in most reference markets, except for Poland and the Czech Republic. However, this weak trend was offset by the net positive contribution of extraordinary transactions, which allowed our cement deliveries to close 2024 essentially in line with the previous year, i.e. 26.3 million tons. Conversely, ready-mix concrete sales amounted to 9.7 million cubic meters, down 3.7% versus 2023, also following the divestment of operations in France and Ukraine, as well as the downsizing of assets in Italy.

Consolidated net sales increased from €4,317.5 to €4,313.0 million. During 2024, the positive contribution from changes in the scope of consolidation amounted to €58.1 million, while exchange rate fluctuations - particularly the depreciation of the ruble, the Czech koruna, and the Ukrainian hryvnia - had an overall negative impact of € 34.0 million. On a like-for-like basis, net sales would have remained equally in line with 2023 results (-0.7%).

In Italy and the United States, the positive trend in selling prices offset the decline in volumes, thus allowing net revenues to remain in line with the previous year. As a matter of fact, net sales from Italian operations reached €818.0 million (€818.3 million in 2023), while the turnover in the United States came in at €1,726.8 million (-0.9%). In Central Europe, net sales declined from €1,049.0 million to €947.0 million (-9.7%), still weighed down by declining sales volumes across all reference markets. Conversely, total revenue in Eastern Europe saw moderate growth, reaching €747.5 million (+2.3%), despite the deconsolidation of Ukraine from October onward and negative exchange rate effects. On a like-for-like basis, net sales would have increased even further (+9.9%), supported by higher selling prices in local currency and stronger domestic consumption in Poland and the Czech Republic. Additionally, the consolidation of Brazil, from the fourth quarter onwards, contributed €85.8 million to the group's consolidated turnover.

Consolidated EBITDA stood at €1,276.1 million, up 2.6% compared to €1,243.2 million of the previous year. The foreign exchange effect was unfavorable for €10.4 million, while changes in the scope of consolidation had a positive impact of €28.0 million. The figure for the year under review includes non-recurring income of €4.5 million (€5.9 million in 2023). Excluding these items, the recurring EBITDA rose from €1,237.3 to €1,271.7 million, with EBITDA to sales margin standing at 29.5% (28.7% in 2023). On a like-for-like basis, the improvement in operating results in Italy and the United States offset the decline in margins in Central Europe, where profitability was affected by low production levels.

After amortization of €272.3 million, versus €248.2 million in 2023, and impairment of fixed assets of €1.9 million, Ebit came in at €1,001.9 million, versus €984.8 million in 2023. Net finance costs improved from a negative balance of €5.4 to a positive balance of €74.9 million, thanks to greater interest income but primarily due to the change in the net balance of non-cash items and in particular the positive contribution from the fair value measurement of derivative instruments. In the year under review, the disposal of the concrete operations in France generated a capital gain of €4.0 million, while the sale of assets in Ukraine resulted in a capital gain of €42.4 million on one hand and, on the other, the release of the associated reserve for currency translation differences, with a negative impact of €177.4 million. The results of equity-accounted investments, however, decreased from €161.2 to €147.1 million. As such, profit before tax amounted to €1,093.2 million, decreasing compared to €1,140.9 million of the previous year. The tax burden for the financial year was €150.7 million, versus €174.1 million in 2023. Therefore, the tax rate of 2024 was equal to 13.8% (15% in 2023), primarily influenced by the recognition of deferred tax assets. Therefore, the income statement for 2024 closed with a net profit of €942.5 million (€966.8 million in 2023), with net profit attributable to the owners of the company amounting to €942.3 million.

Consolidated net financial position at the end of 2024 remained positive, standing at €755.2 million, versus €798.0 million at 31 December 2023. In the financial year just ended, the group distributed dividends of €111.0 million, purchased treasury shares for €147.2 million and paid total capital expenditures of €668.2 million (including €219.8 million of equity interests), among which the acquisition in Brazil, which led to an expense of €301.8 million and the consolidation of the company's cash amounting to €99.0 million. Industrial investments amounted to €448.4 million, about €89 million thereof devoted to decarbonization programs and environmental performance improvements. Projects to increase the production of cements with a lower clinker content, the greater use of alternative fuels and the in-house production of electricity belong to this category. An amount of €22.0 million was allocated to capacity expansion projects, among which the increase in grinding capacity at Festus in Missouri (€13.8 million) and the works relating to the construction of a new clinker storage in San Antonio (€7.3 million).

As at 31 December 2024, total equity, inclusive of non-controlling interests, stood at €6,606.1 million versus €5,632.0 million at 2023 year-end. Consequently, the debt/equity ratio decreased to 31% from 35% in the previous year.

Looking at the separate financial statements of the parent company, Buzzi SpA closed the financial year with a net debt of €556.3 million (€540.0 million in 2023). The deterioration of approximately €16.3 million is mainly due to: inflows for dividends received amounting to €320.0 million; outflows for the purchase of treasury shares of €147.2 million, dividend payments of €109.7 million, equity investments of €3.1 million, cash flow used in operating activities for €67.5 million and payments for investments amounting to €1.0 million.

Reconciliation between the separate financial statements of the parent and the consolidated financial statements

Pursuant to the CONSOB Communication dated 28 July 2006, the table below shows the reconciliation between the net result for the year and the group's net equity with the same values of the parent company Buzzi SpA.

	Equity as at		Profit for the year	
(thousands of euro)	**31.12.2024**	**31.12.2023**	**2024**	**2023**
Statutory Annual Report Buzzi SpA	**2,417,570**	**2,382,135**	**293,573**	**238,421**
Equity and Results of Consolidated entities	6,915,188	5,899,681	781,270	861,013
Elimination of consolidated investments	(3,564,546)	(3,167,807)	-	-
Consolidation adjustments	837,850	518,019	167,190	91,990
Dividend eliminations	-	-	(299,562)	(224,611)
Non-controlling interests	(3,452)	(5,673)	(156)	(268)
Consolidated Financial Statements (attributable to owners of the company)	**6,602,610**	**5,626,355**	**942,315**	**966,545**

ITALY

In Italy, after the halt during the summer months, economic activity remained sluggish in the fourth quarter, due to weak performance in the manufacturing sector and a softening of the services sector, although still expanding. Following the summer surge, private consumption decelerated and investment activity continues to be hampered by the high cost of debt. By the end of the year, the employment rate continued to rise, while inflation remained below 2%, thanks to a renewed decrease in energy prices. The latest projections for the Italian economy indicate a GDP growth of 0.6% in 2024, while preliminary data suggests an average annual inflation rate of 1%, significantly decreasing compared to 2023.
As a matter of fact, the construction market is expected to contract in 2024, primarily due to a still struggling residential building sector. As a matter of fact, investments in housing showed a gradual decline throughout the year, especially due to the increasing reduction of renovation bonuses. Additionally, also the development of new residential construction continues to be hindered by the difficult macroeconomic context. On the other hand, the boost from the National Recovery and Resilience Plan (PNRR) continues to support public construction projects and infrastructure, as well as some segments of the non-residential sector.

Although in the fourth quarter cement shipments substantially broke even, our hydraulic binders and clinker sales closed the whole 2024 moderately decreasing (-3.7%). Ready-mix concrete output followed a similar trend (-4.2%), also due to the downsizing of operations in the Emilia Romagna region. On the other hand, sales prices strengthened year on year. Net sales reached €818.0 million, in line with the 2023 result, while EBITDA increased from €175.2 to €196.6 million, despite the absence of the tax credit for energy-intensive businesses, which amounted to approximately €12 million in 2023. The figure for the year under review includes non-recurring costs of €0.4 million (compared to €3.4 million in 2023), net of which recurring EBITDA was €197.0 million. EBITDA to sales margin improved, reaching 24.1%, thanks also to the tail wind in unit production costs, which benefited from a favorable variance in fuel expenses.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**818.0**	818.3	-0.0%
EBITDA	**196.6**	175.2	+12.2%
EBITDA recurring	**197.0**	178.6	+10.3%
% of net sales	**24.1**	21.8	
Investments	**57.6**	40.0	+44.1%
Headcount at year end n.	**1,566**	1,560	

Total industrial and financial investments made in 2024 amounted to €57.6 million. During the period, €13.2 million were invested for the improvement of environmental performance and the decarbonization of the production process, including, notably, projects to increase the production of cement with a lower clinker content and the greater use of alternative fuels, as well as investments for the production of energy from renewables. The expenditure for the expansion of raw materials reserves, overburden removal and improved safety of the quarry fronts amounted to €4.0 million. In the ready-mix concrete sector, on the other hand, €6.6 million were invested for the modernization of some batching plants.

UNITED STATES OF AMERICA

During the autumn months, the US economy continued to register an expansion, driven by domestic demand for goods and services, which continued to benefit from strong private consumption. While public spending also showed a positive trend, the slowdown in investments and the decline in exports weighed on the economic outlook at the end of the year, leading to a deceleration in the growth rate compared to previous quarters. Therefore, the latest forecasts point to a GDP increase of 2.8% in 2024, with the annual inflation rate expected to decline to 2.9%.
In this context, the construction sector showed a positive trend, albeit at a moderate pace, supported by favorable contributions from its three main target types. The residential segment experienced slight growth, driven by renovation projects in the existing real estate stock. However, the still challenging credit access conditions continued to weigh on investments in new housing construction and the commercial segment. On the other hand, the overall non-residential market and public works recorded a more significant increase, fueled by government programs, which remain the key driver of the industry.

The slowdown in demand, which was already evident in the first nine months of the year, persisted into the fourth quarter. Thus, our cement sales declined by 5.7% in 2024, showing an uncertain dynamic in the River region and a more dynamic trend in deliveries in Texas. The ready-mix concrete sector, on the other hand, regained momentum in the autumn months, closing the year with a slight increase (+1.8%). Selling prices remained solid, improving year over year, and bringing total net sales to €1,726.8 million, essentially in line with the previous year's result (-0.9%). EBITDA increased from €639.1 million to €663.8 million (+3.9%), with an improvement in EBITDA to sales margin, which reached 38.4%. Unit production costs showed a worsening trend, driven by higher fixed costs and raw material expenses, despite a reduction in energy costs. The depreciation of the dollar (average rate of change -0.1%) had a limited impact on the translation of results into euros.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**1,726.8**	1,742.7	-0.9%
EBITDA	**663.8**	639.1	+3.9%
% of net sales	**38.4**	36.7	
Investments	**210.8**	139.5	+51.2%
Headcount at year end n.	**2,375**	2,329	

Total capital expenditures realized in 2024 amounted to €210.8 million, approximately €49.1 million thereof regarding the improvement of environmental performance and the decarbonization of the production process. Initiatives to increase the output of cements with a lower clinker content, the greater use of alternative fuels, as well as infrastructure projects aimed at the use of natural gas among energy sources fall into this category. Furthermore, during the year, the expansion and modernization of the distribution network, among which it is worth mentioning the works at the plants of Maryneal (Texas) and Cape Girardeau (Missouri), as well as at the terminals of Oglesby (Illinois) and Bonner (Kansas), amounted to approximately €41 million. On the other hand, as regards investments for the expansion of production capacity, approximately €13.8 million were capitalized for the increase of the grinding capacity in Festus (Missouri), €7.3 million for the construction of the clinker storage at San Antonio (Texas) and €27.6 million for the expansion of raw material reserves at Cape Girardeau (Missouri). Finally, in the ready-mix concrete sector, capital expenditures concerned the expansion of some batching plants, technological optimization works and the purchase of new mixer-trucks for a total of €24.3 million.

GERMANY

In Germany, the GDP trend remained rather subdued also in the fourth quarter, weighed down by pressure on the industrial sector. Despite rising wages increased private sector resources, laying the groundwork for higher consumer spending, weak consumer confidence hindered a full recovery, confirming the challenging economic environment. Throughout 2024, in fact, economic activity was significantly affected by persistent difficulties in credit access, the country's limited production capacity utilization and the reduced competitiveness of its industry in international trade. As a result, the year is expected to close with a slightly negative GDP growth rate (-0.2%) and an average annual inflation rate of 2.2%.
In this context, the construction market further weakened, burdened by high financing costs and significant uncertainty surrounding the country's economic policies. Residential investments declined more sharply than anticipated also in the second half of the year, while growth in the infrastructure sector remained limited.

Our sales of hydraulic binders and ready-mix concrete ended the year sharply contracting by 10.4% and 8.0% respectively, despite the stability observed in the fourth quarter, which was also supported by a comparison with the particularly weak second half of 2023. Average selling prices remained stable year over year, bringing total net sales to €792.3 million, down 9.1% from the €872.0 million recorded in the previous year. EBITDA also declined by 13.2 %, decreasing from €189.1 million to €164.1 million. Net of non-recurring income of €4.9 million (€3.6 million in 2023), recurring EBITDA stood at €159.2 million, marking a 14.2% drop. Regarding unit costs, the decline in energy expenses more than offset the increase in raw material and fixed costs in the cement sector. However, unit costs worsened in ready-mix concrete output. No costs were incurred for CO_2 emission rights during the year, compared to €5.4 million in 2023.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**792.3**	872.0	-9.1%
EBITDA	**164.1**	189.1	-13.2%
EBITDA recurring	**159.2**	185.5	-14.2%
% of net sales	**20.1**	21.3	
Investments	**77.0**	64.4	19.5%
Headcount at year end n.	**1,756**	1,754	

Total industrial and financial investments realized in 2024 amounted to €77.0 million, €13.8 million thereof for the improvement of environmental performance and the decarbonization of the production process, among which it is worth mentioning the projects to increase the output of cements with a lower clinker content as well as energy efficiency measures. In the ready-mix concrete sector, €2.9 million were dedicated to the modernization of the batching plants.

LUXEMBOURG AND THE NETHERLANDS

In Luxembourg, although economic activity returned to growth in 2024, the recovery remains weak and uneven across different sectors. Despite the expansion of GDP in the third quarter, value-added output, which better reflects the real economy's performance, continued to decline. The contraction in financial services, the slowdown of manufacturing and the still unfavorable contribution of the construction industry are the main factors behind this recessionary trend. However, in the final months of the year, frequency indicators show signs of improvement in non-financial services, retail trade and the industrial sector. Inflation continued to decline and is expected to end the year at 2%, thanks to lower prices for energy, food and industrial goods. The latest projections indicate annual GDP growth of 1.2% in 2024.
In the Netherlands, after a volatile first half of the year due to fluctuations in the trade balance, economic activity accelerated in the second half, driven by strong domestic demand. Recent renegotiations of collective labor agreements began to provide greater support to household incomes, contributing to increased domestic consumption. Investments are also recovering, particularly in the residential sector, thanks to government incentives. GDP growth for 2024 is estimated at 0.8%, with an annual inflation rate of 3.3%.

In this context, our cement sales regained ground in the second half of the year compared to the particularly depressed levels of the previous year, closing 2024 slightly down (-2.3%). The ready-mix concrete sector, although showing an improving trend in the autumn months, experienced a sharper decline over the year (-23.5%), also due to the sale of operations in France. Average selling prices for cement showed a slight year-on-year decrease, while the comparison remained moderately positive for concrete.
Net sales came in at €183.0 million, down 14.5% compared to the previous year (€214.1 million), while EBITDA stood at €14.5 million, worsening compared to €28.1 million in 2023. The aforementioned deconsolidation of ready-mix concrete operations led to a negative variation in the scope of €5.7 million in net sales and a reduction of €0.7 million in EBITDA. Looking at unit production costs, the decline in fuel expenses was offset by increases in raw material costs and fixed components. No operating costs were incurred for CO_2 emission rights during the year.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**183.0**	214.1	-14.5%
EBITDA	**14.5**	28.1	-48.4%
% of net sales	**7.9**	13.1	
Investments	**12.9**	14.1	-8.5%
Headcount at year end n.	**267**	295	

Total capital expenditures made in 2024 amounted to €12.9 million, primarily dedicated to maintenance and efficiency improvement of assets.

POLAND

In Poland, the economy experienced a strong recovery in 2024, thanks to a decrease in inflationary pressures and a revival of private consumption, driven by higher wages and public spending supporting households. The trade balance was impacted by the stronger internal demand compared to the still weak export flow, while the pace of investments remain subdued. After a decline in the first half of the year, inflation rose again in the second half and closed the year with an average annual rate of 3.6%. The latest projections predict GDP growth of 3% for 2024.
In the construction market, investments in infrastructure and the non-residential sector showed a rather slow pace, partly due to the transition to the new EU financial framework, while the residential construction sector showed signs of improvement due to less stringent credit access requirements.

In this context, our cement deliveries further accelerated in the fourth quarter, allowing us to close the year positively compared to 2023 (+2.4%). Ready-mixed concrete sales also confirmed a solid performance throughout the year, registering a double-digit percentage growth (+14.6%). Additionally, prices in local currency contributed favorably to the results, although moderately compared to the beginning of the year. Net sales in euros amounted to €173.7 million, up 10.8% compared to €156.7 million in 2023, while EBITDA improved by 5.2%, from €38.2 million to €40.1 million. It should be noted, however, that the strengthening of the local currency (+5.2%) positively impacted the translation of results into euro. On a constant exchange rate basis, net sale would have increased by 5.1%, and EBITDA would have remained largely in line with the levels reached in 2023 (-0.3%). Unit production costs visibly increased, mainly due to the rise in raw material costs and higher fixed costs. No operating costs were incurred for CO_2 emission rights (compared to €0.8 million in 2023).

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**173.7**	156.7	+10.8%
EBITDA	**40.1**	38.2	+5.2%
% of net sales	**23.1**	24.3	
Investments	**14.9**	12.4	+20.2%
Headcount at year end n.	**344**	345	

Total capital expenditures made in 2024 amounted to €14.9 million, of which over €7 million referring to the improvement of environmental performance, to the decarbonization of the production process and to energy efficiency measures.

CZECH REPUBLIC AND SLOVAKIA

Despite the slowdown recorded in the fourth quarter, economic activity in the Czech Republic returned to growth in 2024, supported by household consumption and public spending. Net exports also contributed to the positive development of GDP, while investments showed weak dynamics, hindered by the slow absorption of European funds and limited foreign demand. Inflation gradually accelerated in the last months of the year, reaching 3% in December, and GDP growth for 2024 is estimated at 1%.
In the building industry, activity in the real estate market showed greater dynamism during the financial year, accompanied by an increasing demand for credit access. However, despite the favorable signals from demand, the rigidity of supply continues to limit investments in the sector.

In line with market trends, our cement sales recorded a positive performance in 2024 (+7.3%), reflecting even greater activity in the latter part of the year. The average sales prices of cement in local currency continued to strengthen, too. After a weak first half, the ready-mix concrete output recovered, closing the year modestly increasing (+2.2%). Consolidated net sales reached €208.5 million (compared to €204.8 million in 2023, +1.8%) and EBITDA decreased from €72.0 million to €68.0 million (-5.6%). The depreciation of the Czech koruna (-4.6%) negatively impacted the translation of results into euro. At constant exchange rates, net sales would have increased by 6.3% and the decline in EBITDA would have been smaller (-1.3%). It is also noted that the previous year's result included non-recurring capital gains of €5.7 million, net of which the recurring EBITDA improved by 2.5%. Variable production costs worsened primarily due to the increase in the energy component. No costs for CO_2 emission rights were incurred during the period.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**208.5**	204.8	+1.8%
EBITDA	**68.0**	72.0	-5.6%
EBITDA recurring	**68.0**	66.4	+2.5%
% of net sales	**32.6**	32.4	
Investments	**16.4**	14.8	+10.8%
Headcount at year end n.	**645**	658	

Total capital expenditures realized in 2024 amounted to €16.4 million, of which €5.6 million for the decarbonization of the production process and, in particular, for higher energy efficiency. Moreover, €6.5 million were capitalized in the ready-mix concrete sector for the modernization of some batching plants and for new truck mixers and pumps.

UKRAINE

In Ukraine, the economy experienced significant expansion in the first half of the year, supported by the recovery of exports thanks to the stabilization of Black Sea routes, slowing inflation, and increased investments. High-frequency indicators suggest that the pace moderated in the third quarter: damage to energy supplies and extreme heat led to electricity shortages during the summer, impacting manufacturing output, but reconstruction efforts helped restore supplies in the autumn. Despite the challenging environment caused by the intensification of the conflict, monetary and fiscal policy decisions contributed to maintaining a degree of macroeconomic stability, with GDP growth for 2024 estimated at 3.5%.

Following the sale of our assets in October, the results have been deconsolidated starting from the fourth quarter, leading to a natural contraction in cement (-17.2%) and ready-mix concrete (-33.7%) deliveries compared to the previous year, while average prices in local currency contributed positively to results in the first nine months of the year. Net sales amounted to €71.3 million, down from €85.6 million in 2023. EBITDA stood at €3.6 million (€5.6 million in 2023). The depreciation of the local currency (-9.3%) negatively impacted the results, as did the change in the scope of consolidation: on a like-for-like basis, net sales would have grown by 22.6% and EBITDA would have reached €3.9 million.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**71.3**	85.6	-16.7%
EBITDA	**3.6**	5.6	-35.4%
% of net sales	**5.1**	6.5	
Investments	**2.4**	3.1	-21.7%
Headcount at year end n.	**0**	1,008	

Total capital expenditures made in 2024 amounted to €2.4 million, mainly referring to overburden removal of quarry fronts.

RUSSIA

Economic activity continued to strengthen in the first half of the year, driven by solid consumer spending and private investments. Household spending was supported by government transfers to soldiers, while investments, incentivized by government-subsidized loans, increased due to the rising demand for domestic goods following the exit of foreign companies from the local market. However, from the summer months onward, frequency indicators pointed to a slowdown in industrial activity and a deterioration in consumer and business confidence. The latest forecasts estimate GDP growth of 3.8% in 2024.

In compliance with the sanctions adopted by the European institutions, as early as May 2022 Buzzi stopped all involvement in the operational activities of its local subsidiaries. Consequently, decisions relating to the investment can only be taken through the shareholders' meeting and are limited to those which, according to the Commercial Code of Russia, are the responsibility of this body, as well as decisions of an extraordinary nature as defined in the bylaws. The information available to us regarding the trend in demand and the construction market is therefore very limited. At the balance sheet date, the value of our net assets in Russia totaled €346.6 million.

Looking at operating results, in 2024, the volumes sold contracted compared to the levels of the previous year (-6.6%), despite the recovery registered in the autumn, while selling prices in local currency consolidated a net improvement year on year. Net sales amounted to €294.0 million, up compared to €284.6 million of the previous year (+3.3%) and EBITDA, which came in at €97.1 million, closed the year substantially in line compared with 2023 (+0.9%). The depreciation of the ruble (-8.6%) unfavorably influenced the translation of the results into euro: at constant exchange rates, net sales and EBITDA would have been up 12.2% and 9.6% respectively.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**294.0**	284.6	+3.3%
EBITDA	**97.1**	96.2	+0.9%
% of net sales	**33.0**	33.8	
Investments	**68.5**	22.8	n.s.
Headcount at year end n.	**1,881**	1,671	

BRAZIL

(line-by-line consolidation from the fourth quarter of 2024)

The Brazilian economy remained resilient in the second half of the year, with GDP data exceeding expectations in the third quarter. The labor market strengthened, with a declining unemployment rate, fiscal policy maintained its expansionary stance and credit issuance remained lively. This combination supported domestic demand, as indicated by the growth in household consumption and the increase in gross fixed capital investments, despite the tightening of monetary policy. The construction sector showed positive development during the year under review, although it had to deal with challenges due to a shortage of skilled labor. The latest estimates forecast economic growth of 3.7% in 2024.

Referring to 100% of the company, sales volumes closed 2024 improving (+2.1%), with good demand performance across all regions of the country, including in the autumn quarter. Local currency prices, however, remained largely stable year on year. Net sales amounted to €374.0 million, down 5.1% compared to €394.0 million in the previous year, while EBITDA reached €99.9 million, up 12.7% compared to €88.7 million in 2023. The depreciation of the Brazilian real (-7.9%) negatively impacted the translation of results into euro: at constant exchange rates, net sales and EBITDA would have increased by 2.4% and 21.6%, respectively. Unit production costs decreased, mainly influenced by the favorable variance in variable costs.

Starting from the fourth quarter, the Brazilian operations were included in our scope of consolidation and in the year under review they contributed €85.8 million to net sales and €28.5 million to the consolidated EBITDA.

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**374.0**	394.0	-5.1%
EBITDA	**99.9**	88.7	+12.7%
% of net sales	**26.7**	22.5	
Investments	**222.0**	25.3	n.s.
Headcount at year end n.	**1,227**	1,263	

MEXICO

(valued by the equity method)

In the year under review, the Mexican economy showed a rather subdued performance, with the latest projections forecasting GDP growth of 1.8% for 2024, slowing down compared to the previous year. After the weakness observed in the first semester, activity accelerated in the summer, driven mainly by growth in the primary sector and services. However, this momentum is expected to weaken towards the end of the year. As a matter of fact, private consumption moderated, manufacturing remained sluggish and the construction market experienced volatile performance, despite some weak positive signs in October. Also, foreign demand has not been brilliant for most of the year. The labor market remained strong but is cooling down, while overall inflation decreased to 4.2% in December.

Cement volumes sold by our joint venture closed 2024 decreasing compared to last year (-4.2%), while ready-mix concrete output registered a positive dynamic (+10.6%). Selling prices, in local currency, favorably contributed to the results both for cement and ready-mix concrete sectors. Referring to 100% of the joint venture, net sales stood at €998.3 million, down 2.6% on the previous year, while EBITDA came in at €445.2 million, compared to €465.5 million achieved in 2023. The fluctuations of the Mexican peso (-3.4%) unfavorably impacted the translation of the figures into euro. At constant exchange rates, the turnover would have been substantially stable (+0.7%) and EBITDA would have experienced a less evident decline (-1.1%). Despite the reduction in fuel costs, unit production costs slightly increased due to the rise in raw material costs and fixed components.

The equity earnings referring to Mexico, included in the line item that encompasses the investments valued by the equity method, amount to €113.5 million (€110.4 million in 2023).

(millions of euro)	**2024**	**2023**	**24/23**
Net sales	**998.3**	1,025.0	-2.6%
EBITDA	**445.2**	465.5	-4.4%
% of net sales	**44.6**	45.4	
Investments	**84.8**	56.8	+49.3%
Headcount at year end n.	**1,347**	1,303	

ALGERIA
(valued by the equity method)

In Algeria, economic activity is expected to grow by 3.8% in 2024, driven by a vibrant investment dynamics, solid and widespread growth in non-extractive sectors, as well as healthy private consumption. Inflation significantly decreased in the first half of the year, thanks to the stabilization of fresh food prices and the slowdown in import prices. The decline in hydrocarbon exports, along with rising in imports and public spending, balanced the current account while widening the fiscal deficit.

During 2024, although official data is unavailable, the domestic cement consumption is estimated to have expanded by around 10%, with the total domestic market increasing from 21 to approximately 23 million tons. In this context, sales on the domestic market from the Hadjar Soud cement plant grew by 2% compared to the previous year, while clinker exports reached record numbers, with a 21% increase. The Sour El Ghozlane plant also reported strong growth in cement volumes (+21%) and clinker (more than doubled), thanks in part to the favorable comparison with a lackluster 2023 due to an extended kiln shutdown.

With reference to 100% of both associates and their individual financial statements, 2024 closed with net sales of €70.0 million, improving compared to €62.6 million in the previous year (+11.8%), also driven by the moderate appreciation of the Algerian dinar versus the euro (+1.2%). EBITDA amounted to €24.2 million, higher compared to the previous period (€18.0 million in 2023). EBITDA to sales margin strengthened reaching 34.6% (versus 29% of 2023), thanks to the significant recovery of profitability for Sour El Ghozlane cement plant.
The equity earnings referring to Algeria, included in the line item that encompasses the investments valued by the equity method, amount to €5.3 million (2.5 million in 2023).

SLOVENIA
(valued by the equity method)

After several years of sustained growth in the post-pandemic period, the expansionary trend of the economy in Slovenia slowed down during the year under review, penalized by the unfavorable dynamics of investments. The decline was particularly evident in the construction sector, where both activity and employment contracted compared to the strong levels of 2023. In contrast, the tertiary sector showed continued strengthening, reflecting the positive evolution of public and private consumption, also due to a robust labor market and lower inflationary pressures. For 2024, in fact, the annual inflation rate is estimated to have fallen to 2%, while GDP projections point to a growth rate of 1.4%.

Buzzi operates through the associate Alpacem Cement, a subsidiary of the Wietersdorfer group (Austria), which is the main hydraulic binder producer in the country. With reference to 100% of the associate, the 2024 financial year closed with net sales of €157.9 million, up 4.0% compared to 2023, and EBITDA of €45.2 million, compared to €50.9 million of last year.
The equity earnings referring to Slovenia, included in the line item that encompasses the investments valued by the equity method, amount to €6.7 million (€8.6 million in 2023).

RESEARCH AND DEVELOPMENT

Buzzi devotes particular consideration to applied research and, thanks to continuous and intense experimentation conducted in its own laboratories or in collaboration with academic partners, it aims to support the evolution of construction materials. The company participates, as an industrial partner, in various national and international research projects, contributing to the development of new materials and technologies and the creation of knowledge networks with excellent facilities in the field of scientific research.

An important role in research and development activities is played by the group's laboratories, which work in close coordination and leverage possible synergies in a context of efficiency, modernity, and passion. Constant investments are made in these laboratories to maintain a high level of efficiency. Built, which was inaugurated in 2022 in Vercelli, is organized on two floors with a large room dedicated to concrete tests, a chemical-physical laboratory equipped with cutting-edge instruments for the characterization of materials, a chemical laboratory and a mortar laboratory accredited according to ISO/IEC 17025:2018. There are currently 14 employees working inside the laboratory, including chemical technicians and scientific researchers. Built, together with the Wilhelm Dyckerhoff Institut in Wiesbaden, Germany, forms the basis of research and innovation for Buzzi and complements the laboratories at the plants. Built's unique location within the campus of the Università del Piemonte Orientale has facilitated the development of numerous activities also involving students and researchers from the University and other educational institutions in the area, such as the ITS (Technical High Schools).

Buzzi is paying particular attention to research on CO_2 mineralization and technologies for reusing CO_2 in its production processes. This has been accomplished through internal research and collaborations with universities and startups. CO_2 mineralization technologies are currently being developed and can be implemented on an industrial scale when CO_2 capture becomes real in cement production plants as well.

The projects aimed at studying and developing cements containing natural (limestone and pozzolans) or artificial additions (calcined clays), with the aim of reducing the clinker content and keeping performance unchanged, are still current.
Currently, the replacement of clinker in cement mixtures is carried out through the use of blast furnace slag (from the cast iron production sector) and fly ash (from coal-fired power plants), which, especially in 2022, considering the energy crisis that led to the reopening of numerous coal-fired plants in Europe, are once again available on the market. The development and use of calcined clay cements is to be understood as a technical solution to reduce the dependence of the cement sector on other industries, in the procurement of substitute materials to the clinker. Calcined clay cements are still relatively rare on the market, but the in-depth understanding of the calcination mechanisms of such materials and hydration processes allows the company to guide future choices in specific regions or application areas. The calcined clay cement research was carried out in parallel with the studies conducted on the optimization of natural pozzolan-based cements. Buzzi has an undisputed leadership in this sector as it has been producing pozzolanic cements in Italy and Germany for several years. In particular, the regions of Southern Italy are characterized by the presence of numerous natural pozzolan quarries of volcanic origin which are used for the production of cements where the pozzolan replaces clinker even in significant quantities (up to 45% addition). Cements containing natural pozzolans allow a significant saving of clinker, do not require any thermal activation process and are therefore advantageous compared to calcined clays, where natural pozzolans are available.

Throughout 2024, studies have been conducted to develop new supplementary cementitious materials, obtained, for example, through mechano-chemical activation processes or processes that utilize autoclaves. The major advantage of these technologies lies in the electrification of the process, effectively enabling the use of entirely renewable energy in the production phase. Work is currently underway on designing an experimental plant that could serve as the foundation for planning further investments in that direction.

The year 2024 was very significant from a technical point of view for the progress of CO_2 capture projects. In 2024, the Monselice plant hosted the CO_2 capture pilot system for the Nuada project, developed within a consortium promoted by the Innovandi Open Challenge program of GCCA (Global Cement and Concrete Association). The highly energy-efficient Nuada's carbon capture solution combines innovative solid sorbents known as Metal-Organic Frameworks (MOF) with a vacuum pressure swing adsorption (VPSA) process. This electrically powered system separates CO_2 from industrial combustion gases using pressure instead of heat. The project successfully concluded in December 2024, as the pilot plant's performance aligned with expectations from laboratory tests while processing real gases produced by a cement plant.

The industrial implementation of CO_2 capture technologies requires significant investments and close synergy between R&D, technical function, engineering and finance departments. This is all aimed at defining priorities, funding opportunities, as well as establishing crucial contacts for future CO_2 storage, in order to create strategic networks for the geographical placement of our plants.

During 2024, work continued on the research consortium called "CI4C - Cement Innovation for Climate", which aims to analyze the practical application of CO_2 capture based on Oxyfuel technology in clinker production. In addition to Buzzi, the research consortium is made up of three more European cement producers. In Germany, the construction of an experimental plant that will operate with the aim of validating this production technology is underway.
The consortium's activity has entered an operational phase with the delivery of essential components for the plant, such as oxygen tanks, and the assembly of various parts in preparation for the first industrial tests, which are scheduled to take place next year.

During the year under review the activity of the Herccules project (https://herccules.eu) continued. This project, financed by Horizon Europe, focuses on the capture, storage, and reuse of CO_2 in the Southern Mediterranean region. The project aims to accelerate the development of CO_2 capture and storage technologies in the cement and waste-to-energy sectors, by conducting studies and implementing CO_2 capture and mineralization technologies in Buzzi's Italian plants too.
The project is progressing towards its objectives set, with a gradual transition to the operational phase that will allow for the storage of CO_2 captured from the Buzzi Unicem plant in Vernasca. In 2024, many design activities were completed, and the procurement of components to be installed in the following year began.

In Germany, several important research projects have been carried out to explore the use of incinerator slag in the high-temperature process of clinker production. As a matter of fact, an industrial trial was conducted at the Lengerich plant as part of the Emsarzem project (https://www.remin-kreislaufwirtschaft.de/en/projects/emsarzem), yielding significant results aimed at simplifying regulatory approval processes to promote the circularity of materials derived from industrial processes.

In Germany, we are also carrying out several projects focused on the research of innovative applications for low-clinker cements, for example, the RTTS project in the segment of concrete ashlars (https://www.dyckerhoff.com/bmwk-projekt-rtts) and the LOWKLINK project (https://www.renatbau.de/projekte/projektdetails/lowklink-herstellung-neuer-klinkerarmer-zemente-unter-nutzung-regi-onaler-roh-und-sekundaerstoffe.html), which is dedicated to the development of low-clinker cements using raw materials available in Thuringia.

The topic of concrete is closely linked to that of cement and the R&D department is actively working on developing innovative solutions to enhance the range of high-performance products, known as Ultra High Performance Concrete (UHPC). These are concrete mixes with extremely high mechanical strength and durability, suitable for infrastructure rehabilitation, such as bridges and viaducts. Thanks to their superior performance, these products significantly reduce the volume of material required while ensuring long-lasting durability to the final structure and a lower environmental impact in terms of material usage and CO_2 emissions. Currently, the widespread adoption of UHPC is limited by the lack of a harmonized regulatory framework, making it a niche market. However, applications are expanding thanks to the introduction of various usage guidelines. The Buzzi Group already offers several products with these characteristics, which are undergoing testing and further optimization.

Buzzi is one of the founding partners of the Innovandi research network (https://gccassociation.org/) which is an initiative fully funded by industrial resources involving more than 40 university partners and cement production companies. Innovandi was created to stimulate and enhance a form of pre-competitive research between universities and companies operating in the construction materials sector all over the world. The consortium finances pre-competitive research projects in the field of new construction materials, cements, concretes and CO_2 capture technologies. During 2024 the projects funded by the Innovandi consortium continued, where Buzzi participates as an industrial partner in projects that target technologies for the electrification of the cement sector, the capture of CO_2, the development of new knowledge on cements with reduced clinker content and the use of demolition waste from concrete.

Buzzi is also active in research relating to concrete digitization technologies: in this field, it is worth mentioning the industrial experimentation activities carried out by the Hinfra start-up, of which Buzzi is the main shareholder (www.hinfra.it). Hinfra sets the objective of developing an automated technology for the structural restoration of concrete tunnels, through a patent that utilizes the sulphoaluminate cement produced by Buzzi in Italy and the USA. The R&D department supports Hinfra in its technological growth by providing expertise in materials, laboratory testing and technical assistance for intellectual property protection.

During the period, as part of a strategy strongly oriented towards "Open Innovation", numerous contacts were developed with start-ups and specialized companies, dedicating some resources of the R&D group to this activity. The contacts made allowed first of all the creation of a corporate culture oriented towards a greater involvement of external interlocutors but also the launch of some projects, on the one hand supporting start-ups to industrially experiment some of the technologies they own and, on the other, allowing to better understand the potential benefits of adopting these technologies. The main areas in which such contacts were initiated are in the field of CO_2 capture and usage and of artificial intelligence.

The costs incurred by the group for research and development in 2024 amount to €32.5 million (€5.1 million in Buzzi SpA).

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The internal control and risk management system is the set of rules, procedures and organizational structures designed to ensure sound, sustainable and appropriate business conduct through a proper process of identification, measurement, management and monitoring of the main risks in a manner that is consistent with our objectives, so as to ensure the safeguarding of assets, the efficiency and effectiveness of business operations, reliability of financial reporting and compliance with laws and regulations.

The board of directors has ultimate responsibility for the system of internal control and risk management and performs the duties provided by the Corporate Governance Code, with the support of its internal bodies, such as the Control, Risk and Sustainability Committee, the director responsible for the internal control and risk management system and the Internal Audit department.

Buzzi is an international group operating in Italy and various foreign countries through subsidiaries and associates. Given the complexity of the group, the Internal Audit Department has been adapted to local requirements. It is organic and balanced, is not subject to restrictions and is entitled to unlimited access to information. The audit methods and techniques being used are aligned with international standards.

To reduce the risk of a breach of regulations, laws or contractual agreements, Buzzi and its subsidiaries apply compliance tools, including the Code of Conduct, the antitrust code, training courses, controls on procedures and, within certain jurisdictions, the use of databases to record any contracts with competitors. These tools are used in the various local businesses based upon the assessment of the specific risks.

As part of the internal control system, our corporate risk management involves a semi-annual procedure of risk inventory-taking, control and reporting, based on a strategy for overall, known and acceptable risk. The approach to risk in Buzzi does not aim to eliminate all potential risks and instead takes into account corporate objectives and seeks to provide a systematic methodology that enables an informed evaluation of risks on the basis of available information on these risks and related issues. The same risks can then be avoided, reduced, transferred as part of the overall management process of risk control.

The operational responsibility for risk limitation is attributed to the heads of central departments and group divisions that are identified as important for risk management. The respective executives are responsible for all material risks that are foreseeable in their departments, regardless of whether they have been identified in the risk management system.
Risks are evaluated in consideration of the probability of their occurrence and the impact on the company assets and, in accordance with standard criteria, taking into account their respective importance and significance. Risk assessments valuations carried out by the group’s departments and divisions are recorded in a central database. Analyses are conducted on the categories relating to the risks underlying all the operations of our companies in terms of production, financial, labor, legal and tax matters, in compliance with sustainability goals.

For the sake of completeness, it should be noted that the risks highlighted by the Enterprise Risk Management system (ERM) and the financial statement provisions are not necessarily mutually consistent, because of the differing purposes of these two instruments (the former concerns prevention and management, while the second relates to correct accounting practice). Indeed, the ERM necessarily takes into account risks that are not included in the financial statement as well as risks the estimation of which (in terms of their probability of occurrence and impact) is not sufficient to report them in the financial statement. In any case, despite being a management tool that is available to senior decisionmakers for the evaluation and control of risks, the ERM also has an important role in the recognition of accounting provisions, by providing a more direct and complete knowledge of business events and more accurate valuations when determining an additional contingent liability.

Since 2024, the risk management system has incorporated the EU Corporate Sustainability Reporting Directive (CSRD) and the related reporting principles (European Sustainability Reporting Standards - ESRS).

In general, risks reflect the instability of the current political, economic, and financial landscape.
In compliance with the sanctions adopted by the European institutions against Russia, as early as May 2022 Buzzi ceased all involvement in the operational activities of the subsidiaries therein. In this context, the group, and in particular its subsidiary Dyckerhoff, monitor the evolution, in order to act promptly to mitigate the risks of sanctioning procedures and possible direct and indirect impacts. Russia country risk remains high, along with the risk relating to our investments operating directly in that territory.

The risks are assessed with reference to a short-medium to long term time horizon. The main short-medium term risk categories to which the group is exposed include geopolitical and socio-economic risks, currency risks, operational risks.

Geopolitical and socio-economic risks: for our companies operating in Russia, the risks of expropriation or damage to plants remain.

Currency risks: in terms of currency, there is a risk of negative impacts arising from the conversion of financial statements expressed in foreign currency into euro. In the risk assessment, a fluctuation of 10% of local currencies against the euro compared to the budgeted exchange rates has been assumed. Currency risks are further illustrated in note 3 to the consolidated and statutory financial statements.

Operational risks associated with raw materials and energy costs: risks related to reduced availability of raw materials, such as synthetic gypsum and slag, which are by-products of industrial processes. There is a risk of rising fuel and electricity cost due to market volatility.

As a result of the containment measures already implemented or planned by the group's management and regions as well as, where deemed necessary, the signing of insurance policies and considering the accounting provisions, the remaing risk pool represents a small fraction of equity.

As for long term risks, these are linked with the general conditions of politics, economy and the evolution of the markets in which the group operates. Geographical diversification helps reduce the risk associated with the economic conditions of a single market.

It is worth highlighting the risks arising from Russia's military actions and countermeasures, such as sanctions against that same country. These factors will continue to generate political instability and economic weakness, with negative repercussions not only in countries at war but also in all European economies.

Moreover, there are risks associated with climate change, which are illustrated in detail within the Consolidated Sustainability Statement.

RELATED-PARTY TRANSACTIONS

Transactions carried out with related parties, including intercompany transactions, are not considered either atypical or unusual. These transactions take place in accordance with market conditions, considering the characteristics of the goods and services being supplied.

The "Procedure for related-party transactions", last updated in May 2021 also to comply with the regulatory changes issued by Consob, effective from 1 July 2021 and aimed at ensuring transparency and substantial and procedural correctness in transactions with related parties, can be accessed on the company website buzzi.com in the Investors/Corporate Governance section, to which reference is made.

Disclosure on transactions with related parties is provided in note 50 of the consolidated financial statements, as well as in note 44 of the statutory financial statements respectively.

OUTLOOK

The latest economic projections confirm for 2025 constant but contained global growth, although hiding divergent dynamics between the major markets, within a context of deep uncertainty. Among advanced economies, while estimates for the United States have been slightly revised upward, thanks to strong domestic demand growth, in the Eurozone an acceleration of the economic situation is expected, at a slower pace than previously anticipated. The outlook for emerging markets, on the other hand, remains largely unchanged and in line with the trend observed in the previous year. Despite the widespread process of disinflation, risks persist due to continued price pressures in the tertiary sector and on wages in various areas of the world, with a likely desynchronization of monetary policies.
Furthermore, the economic context remains heavily influenced by potential developments in geopolitical tensions, as well as the protectionist measures adopted by the new US administration and the effects these will have on international trade.

For the construction industry, in the United States, we foresee an improving trend in the residential market, although still limited by high financing costs. The reshoring phenomenon and stimuli from state and federal funds, on the other hand, should continue to support activities in industry and infrastructure, although a slowdown in growth rates is expected compared to the vibrant performance of previous years. In this context, we believe that our sales volumes may maintain the levels achieved in 2024.
In Italy, on the contrary, we expect residential construction to remain hindered by the low propensity for renewal in the absence of incentives and the challenging macroeconomic environment. However, the public sector should continue to support infrastructure projects, also aided by resources from the PNRR (National Recovery and Resilience Plan). In this scenario, we foresee that, like for like, our sales may remain relatively stable.
Looking at Central Europe, it is difficult to anticipate a significant recovery in the construction market, which we believe will continue to suffer from weakness in the residential sector and limited development in civil works. Therefore, we estimate that our sales volumes may stabilize after the significant decline seen in previous years. In the other Eastern European countries belonging to the EU, on the contrary, we foresee a more positive evolution of demand, especially in Poland, where construction investments are expected to strengthen across all target segments.
As for emerging markets, in Brazil, we believe that sales volumes, which will be fully consolidated, in 2025 may reflect a favorable trend, driven by solid domestic demand. Conversely, in Mexico, construction investments are expected to slow down in the current year due to the widespread deceleration of economic growth, potential cuts aimed at reducing the public deficit and the completion of several infrastructure projects initiated by the previous administration.
In the case of Russia, due to the current governance structure, we do not have sufficient information to provide guidance on the expected market outlook for the current fiscal year.

Therefore, at constant scope, we expect a rather static evolution of the group’s volumes, which will be accompanied by the positive net contribution of the scope changes. In this regard, we highlight that, in addition to what is already known (i.e. the consolidation of Brazilian activities and the sale of assets in Ukraine), the sale of the Fanna plant in Italy to Alpacem Cementi Italia, a company belonging to the Austrian group Wietersdorfer, was completed in January.
In all reference countries, we aim to implement a pricing policy designed to preserve adequate levels of profitability, in a context that, however, is expected to remain challenging. Weak demand and the consequently limited use of production capacity in Central Europe, as a matter of fact, could continue to create some price tension, as well as the risk of downward pressures in certain regions of the US, where import flows remain particularly competitive.

Among production unit costs, we foresee widespread inflation in the fixed component and raw material expenses, while energy supply costs should show a rather heterogeneous trend, favoring results in the Eastern EU countries and burdening margins in Germany.

In conclusion, based on the considerations outlined above and the changes in the scope of consolidation, we believe that the current financial year can deliver operational results close to the excellent levels reached in 2024. However, it is important to recognize that the current economic and industry scenario remains subject to a high degree of uncertainty and that the risks associated with the performance of the key economic factors remain predominantly downside in almost all reference markets.

Regarding the capital expenditures program for 2025, we expect to further intensify it. As a matter of fact, it includes numerous projects aimed at continuously improving operational efficiency and reducing CO_2 emissions, in line with the decarbonization objectives outlined in the "Our Journey to Net Zero" roadmap, as well as some projects aimed at expanding production capacity and the distribution network.

APPROPRIATION OF NET INCOME

Dear shareholders,

we propose to approve the financial statements as of 31 December 2024, which result in a net profit of	euro	**293,572,784.08**
considering that the Legal Reserve has reached the limit set forth in Article 2430 of the Italian Civil Code, we propose to allocate the net profit as follows:		
- to each of the 181,024,878 ordinary shares (net of treasury shares currently amounting to 11,601,276) a dividend of €0,70 gross of withholding tax, for a total amount of	euro	126,717,414.60
to *Retained earnings* the remaining amount of	euro	166,855,369.48

We also propose to reset the Reserve pursuant to Article 2426 no. 8-bis) of the Italian Civil Code for an amount of €15,840,694.96, as no net exchange gains recorded in the income statement remain unrealized as of 31 December 2024, reallocating the corresponding amount to Retained Earnings.

Furthermore, we propose to:

- authorize the legal representatives, separately, to determine the actual amount to be drawn from the net income and to be allocated to Retained Earnings, based on the number of shares actually outstanding and being entitled as of the dividend record date as well as according to any rounding adjustments made at the time of payment;
- pay the dividend as from 21 May 2025, with coupon no. 28 detachment on 19 May 2025 and record date on 20 May 2025.

Casale Monferrato, 28 March 2025

on behalf of the Board of Directors
Chairman

Veronica BUZZI

CONSOLIDATED SUSTAINABILITY STATEMENT
GENERAL INFORMATION

BASIS FOR PREPARATION

|| BP-1

General basis for preparation of sustainability statement

The consolidated sustainability statement is prepared for the first time according to Legislative Decree 125/2024, which implements the EU Corporate Sustainability Reporting Directive (CSRD). Through the information presented here, we are committed to ensuring transparency about all relevant sustainability matters, in accordance with the European Sustainability Reporting Standards (ESRSs) adopted by the European Commission.

The economic, environmental, and social data and information reported below refer to all companies included in the financial statement scope as of 31 December 2024, consolidated line-by-line. Investments in joint ventures and associates are not included in the consolidation scope. Similarly, subsidiaries excluded from the financial statement scope for reasons of immateriality were also deemed immaterial for sustainability reporting purposes and are therefore excluded from the consolidated data. The sustainability statement scope is consequently aligned with that of the consolidated financial statements, as illustrated in note 5.

For companies sold during the year, the document reports metrics up to the date of sale. For companies integrated into the consolidation scope, the metrics report data from the date of consolidation.

This document includes information related to our value chain, where relevant or explicitly required by the standards. In particular, the double materiality analysis also covered potential impacts, risks and opportunities upstream and/or downstream of our activities. Policies, actions and objectives consequently extend to our value chain where applicable.

For data disaggregation purposes, where useful or necessary, it is specified that the data related to our subsidiaries are aggregated in continuity with past reporting as follows: the data of Dyckerhoff Gravières et Sablières Seltz S.A.S. are aggregated with Germany and those of ZAPA Beton HUNGÁRIA Kft. with Slovakia.

|| BP-2

Disclosures in relation to specific circumstances

Time horizons

The group defines the time horizons as specified in ESRS 1, paragraph 6.4:

- short-term time horizon: until 1 year;
- medium-term time horizon: from 1 to 5 years;
- long-term time horizon: over 5 years.

Sources of estimation and outcome uncertainty (including value chain estimation)

All greenhouse gas (GHG) emissions (Scope 1, 2, and 3) are calculated based on the GHG Protocol. The data related to indirect Scope 2 and Scope 3 emissions are primarily estimated based on indirect sources. Specifically, starting from the available data on purchases, expenses, consumption and sales, the data related to indirect emissions were obtained through the application of emission factors and/or life cycle assessment (LCA) factors. These factors were derived from documents reporting national values and/or external databases, validated and commonly used in the sector, constantly updated and, consequently, sufficiently reliable.

Indirect emissions are therefore subject to greater quantification uncertainty compared to direct emissions. The company is working internally with various working groups to standardize quantification procedures across the different areas of the group, with greater attention to the most relevant Scope 3 categories.

Details on the preparation of these and other possible estimates are provided in the related *Accounting policies*, as well as the calculation methodologies, assumptions and potential uncertainties to which the metrics may be subject.

Changes in preparation or presentation of sustainability information

Compared to the 2023 Non-Financial Declaration (NFD), prepared in accordance with GRI standards, this year for the first time we are including in the reporting the emissions related to our value chain (Scope 3), in addition to the Scope 1 and 2 emissions already reported in the past.

In the 2024 consolidated sustainability statement, there are no comparative data due to the changes related to the introduction of the new reporting standards (ESRSs), which do not always allow for a correct and consistent comparison with what was reported in the past.

Incorporation by reference

Some information is included by reference to other chapters of this annual report. When information is incorporated by reference, it is clearly indicated in each respective section. More details are provided in the table in the chapter "Disclosure requirements in ESRS covered by the undertaking's sustainability statement".

GOVERNANCE

|| GOV-1

The role of the administrative, management and supervisory bodies

The Board of Directors is the collegial management body of the company, vested with all powers related to the ordinary and extraordinary administration of the company. It performs a guiding and supervisory function regarding the general activities of the company and the group it heads, pursuing sustainable success.

For the examination of sustainability issues, the Board relies on the support of the Control, Risks and Sustainability Committee, which:

- assesses the adequacy of periodic, financial and non-financial information to correctly represent the business model, the strategies of the company and the group, the impact of business activities, and the performance achieved;
- examines the relevant issues for the preparation and drafting of sustainability statement and, in particular, its suitability to enable the understanding of the company's impact on sustainability issues and the understanding of how sustainability issues affect the company's performance, results and situation. To this end, it meets at least twice a year with the sustainability officer, who reports on sustainability issues related to the company's activities.

The Board of Statutory Auditors is the independent supervisory body that monitors compliance with the law and the adequacy of the company's organizational structure, particularly the internal control system, including sustainability issues.

The Board of Directors and the Board of Statutory Auditors are the main administrative, management and supervisory bodies for sustainability issues and rely on internal corporate functions, particularly the Sustainability Department, for the examination of relevant sustainability topics.

Composition and diversity

The Board of Directors of the company consists of a variable number of members, ranging from a minimum of 7 to a maximum of 15. The determination of the number of members is made by the Shareholders' Meeting. The current Board, appointed by the ordinary shareholders' meeting on 12 May 2023, consists of 10 members, of whom 3 are executive and 7, including the Chairman, are non-executive. There are no worker representatives on the Board.
The Board will expire at the shareholders' meeting for the approval of the financial statements as of 31 December 2025.

The Board of Directors has adopted diversity policies for the composition of corporate bodies, which provide guidelines aimed at ensuring, as far as possible and subject to the competence of the shareholders' meeting, optimal diversity in relation to achieving the objective of properly fulfilling the functions of the governance, management and supervisory bodies. Adequate diversity within the Board regarding aspects such as age, gender composition and educational and professional background contributes to ensuring the quality and effectiveness of dialogue and debate on decisions, and allows for the appropriate contribution of ideas and critical thinking, with potentially more effective oversight of the company's activities in general. Similarly, adequate diversity in these aspects within the Board of Statutory Auditors facilitates the process of verifying the correctness of decisions made by the Board of Directors and the actions of executive directors.
All current directors possess adequate skills and professionalism for the tasks they are called upon to perform, with experience gained in entrepreneurial activities and professions in economic, legal, financial and technical-scientific fields. In particular, within the Board:

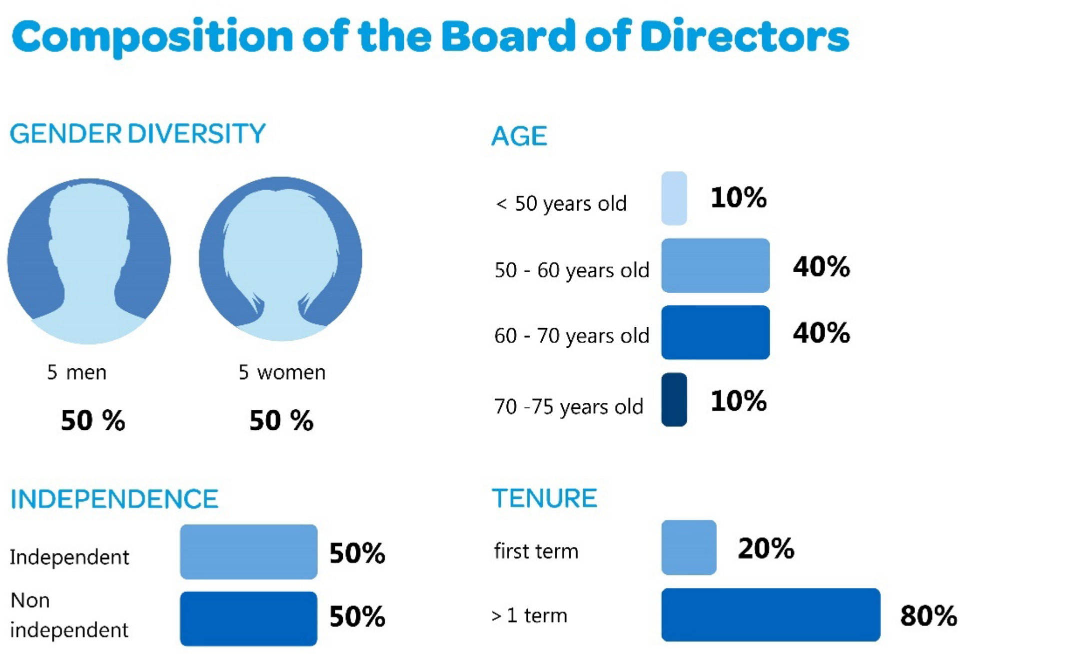
- 60% of the members are represented by entrepreneurs and/or managers with experience in international contexts and at large companies;
- 40% of the members practice professional activities in fields related to economic, legal and financial sectors.

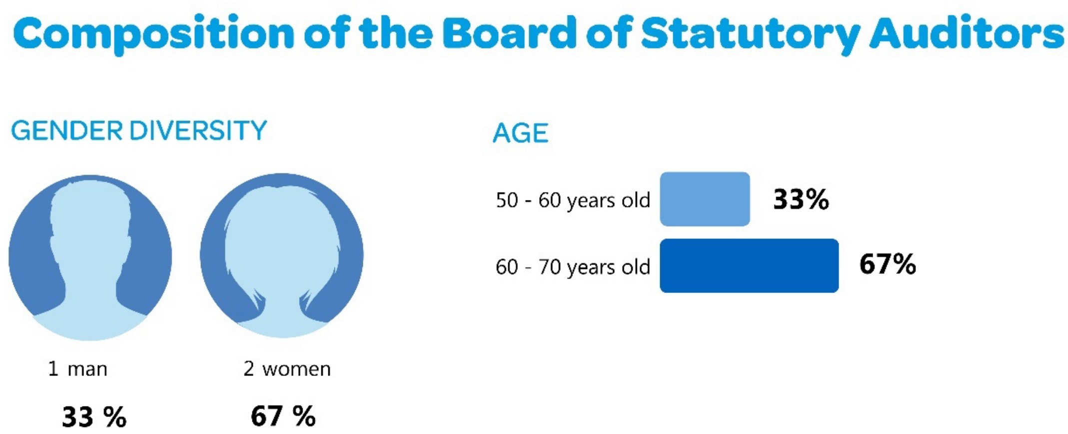
In 2023, the Chairman of the Board of Directors was tasked with promoting within the company and the group, in collaboration with the human resources departments, policies and activities for the engagement, enhancement and development of employees, as well as the dissemination of best international practices in people management. Additionally, the Board of Directors includes the Chief Technology Officer who, thanks to his specific expertise, can provide decisive guidance on research, new product development and the identification of the best decarbonization technologies.

The broad spectrum of competences of the Board of Directors' members provides adequate guarantees for assessing the consistency of business choices concerning sustainability issues in the medium and long term. The Board of Directors and the Board of Statutory Auditors periodically participate in initiatives aimed at providing them with adequate knowledge of the sectors in which the group operates, business dynamics and their evolution, also from the perspective of sustainable success, as well as principles of proper risk management and the relevant regulatory and self-regulatory framework.
These initiatives are planned on a multi-year basis and are primarily scheduled through the company's internal functions, to which the Chairman, in agreement with the CEO, requests to present specific insights to the members of the Board and the Board of Statutory Auditors. For these in-depth sessions, the Chairman, in agreement with the CEO and the relevant internal functions, may invite external experts on specific topics if deemed appropriate.
In 2024, the induction activity culminated with a visit by the Board of Directors and the Board of Statutory Auditors to the headquarters of the sub-holding Dyckerhoff GmbH and the two cement production plants in Göllheim and Amönenburg in Germany, focusing particularly on technologies and projects related to CO_2 capture studies and the procedures adopted regarding worker health and safety.

Regarding H&S, the General Manager presents the group's main injury indices to the Board of Directors and the Board of Statutory Auditors quarterly, providing an update on the initiatives undertaken in occupational health and safety to achieve the set goal of "zero injuries" (detailed in the section "Own Workforce – Health and Safety").

Diversity policies regarding the composition of the Board of Directors and the Board of Statutory Auditors provide guidelines on gender, age and professional seniority representation of the corporate bodies' members.
The current corporate bodies are composed as follows:





Responsibilities and role

Within the internal control and risk management system, the Board of Directors, with the support of the Control, Risks and Sustainability Committee:

- defines the guidelines of the internal control and risk management system in line with the company's strategies and assesses its adequacy and effectiveness;
- appoints and dismisses the head of the Internal Audit function and approves the audit plan prepared;
- evaluates the opportunity to adopt measures to ensure the effectiveness and impartiality of corporate functions involved in the control system;
- approves, at least annually, the work plan prepared by the head of the Internal Audit function, after consulting the Board of Statutory Auditors and the CEO;
- appoints the supervisory body pursuant to Legislative Decree 231/2001;
- evaluates, after consulting the Board of Statutory Auditors, the results presented by the independent auditor in the letter of recommendation (if any) and in the additional report addressed to the Board of Statutory Auditors;
- illustrates, in the corporate governance report, the main characteristics of the internal control and risk management system and the coordination methods among the parties involved, expresses its overall assessment of the system's adequacy and reports on the choices made regarding the composition of the supervisory body.

With the support of control functions and the risk management activities carried out by Internal Audit, management directs risk management activities, including those that may be significant from a sustainability perspective.

Based on the information received, the administrative, management and supervisory bodies and senior management monitor the definition and progress of objectives related to impacts, risks and relevant opportunities.

|| GOV-2

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The administrative, management and supervisory bodies are periodically informed about the progress of sustainability issues. This allows the members of these bodies to consider the results of ongoing or completed processes in the performance of their functions. During the meetings held throughout the year, the double materiality analysis process was supervised and approved by the administrative bodies in all its phases, culminating in the presentation of all relevant impacts, risks and opportunities.

The Board provides guidelines to the organizational structures to ensure that the company adopts appropriate strategies and decision-making processes to properly manage relevant impacts, risks and opportunities.

In particular, regarding climate-related impacts, risks and opportunities, these influence our corporate strategy. The risk assessment has led to a deep understanding that engaging customers and the entire value chain is crucial for implementing our decarbonization roadmap, described in chapter E1-1, "Transition plan for climate change mitigation".

Regarding occupational health and safety, the group, through a specific policy, has set the goal of eliminating accidents and occupational diseases. Every three months, the Board of Directors reviews the group's accident data to ensure constant monitoring and reduction of accidents. Details on our Health and Safety policy are presented in the section "Own Workforce – Health and Safety".

Finally, to manage potential impacts, risks and opportunities in business ethics, the Board of Directors has approved a Code of Conduct that defines the general principles of behavior to which all group companies, both Italian and foreign ones, must adhere. Additionally, on 7 February 2025, the Board approved the new Anti-Corruption Code, as described in chapter G1-3, "Prevention and detection of corruption and bribery".

|| GOV-3

Integration of sustainability-related performance in incentive schemes

Buzzi utilizes incentive systems and remuneration policies also linked to sustainability issues.

The Board of Directors annually approves the company's Policy on the remuneration of the members of the administrative, management and supervisory bodies and other executives with strategic responsibilities (ESRs), identified as the CEO, the General Manager, and the Chief Technology Officer.

Buzzi's Remuneration Policy aims to attract, retain and motivate qualified individuals with skills and professional qualities suited to the group's needs, as well as to promote the achievement of the company's sustainability objectives in line with the industrial strategy.

These objectives are pursued through both short-term and long-term incentive plans too.

The incentive plans are aimed at executive directors and ESRs, while non-executive directors and members of the Board of Statutory Auditors have a fixed remuneration component, without a variable component linked to incentive schemes.

Regarding the short-term variable component of the incentive plans, the Management by Objectives (MBO) mechanism involves the assignment of annually predetermined economic-financial, ESG and individual objectives. In 2024, for ESRs, the non-economic-financial objectives are linked to the group's Lost Time Injury Frequency Rate (LTIFR).

For ESRs only, an additional long-term variable component (Long Term Incentive Plan LTI 2024-2026) is provided, linked to achieving specific levels of reduction in the group's direct net CO_2 emissions by 31 December 2026.

For the 2024 MBO of ESRs, sustainability objectives related to the LTIFR index can each weigh up to a maximum of 15% of the total variable remuneration.

For the long-term plan objective, the emission reduction target weighs 30% of the total variable component of the long-term plans.

|| GOV-4

Statement on due diligence

Buzzi recognizes the importance of conducting due diligence processes regarding environmental and social impacts along its value chain to ensure that potential negative impacts are identified and promptly managed, while positive impacts can be adequately enhanced. Due diligence is an ongoing process that can trigger changes in strategy, business model, commercial relationships and activities.

The result of our due diligence process in relation to the double materiality assessment is described in chapter IRO-1, “Description of the processes to identify and assess material impacts, risks and opportunities”. Details on how other due diligence processes are incorporated into our activities are provided in the relevant chapters.

The following table illustrates the specific processes and their placement in the sustainability statement.

Core elements of due diligence	Section
Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2 ESRS 2 SBM-3
Involvement of stakeholders in key steps of the due diligence process	ESRS 2 SBM-2 ESRS 2 IRO-1
Identification and assessment of adverse impacts	ESRS 2 SBM-2; SBM-3 ESRS 2 IRO-1
Taking measures to mitigate negative impacts	ESRS 2 MDR-A E1-1; E1-3; E2-2; E3-2; E4-3; E5-2; S1-4; S2-4
Monitoring the effectiveness of actions and communication	ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 MDR-T E1-4 S1-5

Buzzi is aware that its environmental impacts have potential repercussions on local communities, even though the topic S3 "Affected Communities" is not considered relevant. We believe that our reporting on environmental topics identified by the ESRS is sufficient to meet the informational needs of all stakeholders, including local communities. Additionally, the company has adopted a Stakeholder Engagement policy to consider the opinions of all stakeholders, particularly the local communities where the company operates, as described in chapter SBM-2, "Interests and views of stakeholders".

|| GOV-5

Risk management and internal controls over sustainability reporting

Buzzi is increasingly integrating sustainability reporting processes into its risk management and internal control systems.

In 2024, we conducted an analysis with a specialized partner to identify, among other things, potential risks to which the sustainability reporting process may be exposed, in order to confirm and possibly integrate existing control procedures.

The study included several phases:

- analysis of internal procedures and process mapping through direct interviews;
- identification and assessment of risks;
- identification of existing control procedures and, if necessary, the establishment of additional checks.

Based on the scale and likelihood of occurrence, the identified risks were assessed and prioritized.

The controls confirmed and/or designed as part of this analysis were assigned to the respective control owners and integrated into the group's internal control framework.

Potential risks related to the sustainability reporting process concern the continuous evolution of existing regulations and standards and the consequent data collection. To manage these and any other risks, the company has established an internal procedure valid at the group level that defines responsibilities, roles, tasks and processes for the preparation of sustainability information. This procedure, updated to incorporate the regulatory changes provided by Legislative Decree 125/2024 and the results of the previously illustrated analysis, requires the Sustainability Department to centrally

monitor the information required by the standards and initiate the data collection process with the local and regional contribution of the competent functions.
The procedure also provides that the internal control activity is structured in three levels:
- control by local functions, which verify the completeness, accuracy and consistency of the data provided;
- control by central functions, which analyze data variations compared to previous periods to detect and correct any inaccuracies;
- controls by the Internal Audit function, which performs checks on the process and methodologies, both locally and centrally, to assess the operational effectiveness of the control processes.

Subsequently, in its support activity to the Board of Directors, the Control, Risks and Sustainability Committee monitors the sustainability reporting processes, including improvement plans, risks, internal controls and their operational effectiveness. Specifically:
- it assesses the adequacy of periodic, financial and non-financial information to correctly represent the business model, the strategies of the company and the group, the impact of business activities and the performance achieved;
- it examines the relevant issues for the preparation and drafting of sustainability statement and, in particular, its suitability to enable the understanding of the company's impact on sustainability issues and the understanding of how sustainability issues affect the company's performance, results and financial situation (as also described in section “General Information”, GOV-2);
- it provides opinions on specific aspects related to the identification of the main business risks.

In particular, regarding the double materiality assessment, the members of the Control, Risks and Sustainability Committee directly supervised the entire process to ensure it was compliant with the standard's guidelines.
Additionally, in November 2024, the Board, in accordance with the transitional provisions of Legislative Decree No. 125/2024, appointed the officer responsible for the certification of sustainability statement.

STRATEGY

|| SBM-1

Strategy, business model and value chain

Since its founding at the beginning of last century, the Buzzi group has been active in the production, distribution and sale of hydraulic binders, ready-mix concrete and natural aggregates. The wide range of products in the catalog, extensive technical assistance and consistent investments in research and development allow the group to position itself as a leading company in its reference markets, capable of meeting a vast array of needs, from those typical of large structural artifacts to niche applications with high technological content.

The Buzzi group has production assets in 13 countries, 10 of which are included in the scope of consolidation, including Russia, where the group has ceased all operational involvement since 2022. In 2024, changes occurred in the group's scope of consolidation, with the acquisition of new plants in Brazil and the sale of those in Ukraine. More details are presented in note 5 of the consolidated financial statements. After these corporate changes, at the end of 2024, the group had 10,061 employees. Information on the geographical distribution is provided in chapter S1-6, “Characteristics of the Undertaking's Employees”.
Note 6 of the consolidated financial statement illustrates the group's net revenues by business line.

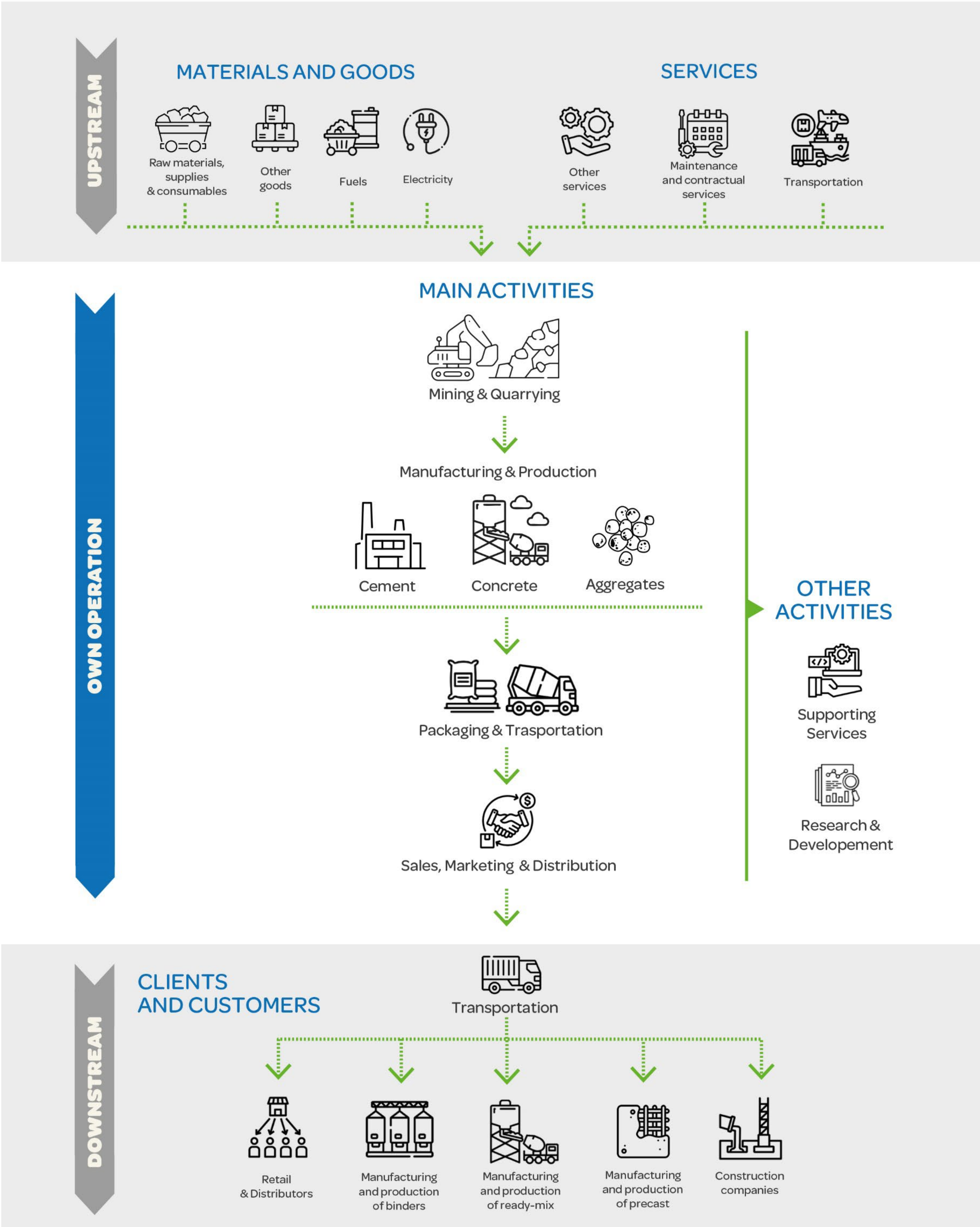
The group's strategies have long been oriented towards the increasing importance of sustainability objectives, including:

- the reduction of CO_2 emissions to achieve net-zero emissions by 2050 in our plants;
- the elimination of work-related injuries and illnesses for all workers operating at the group's sites, including some workers in the value chain.

More details are provided in the chapters “Climate Change” and “Own Workforce – Health and Safety”.
Additionally, the group aims to engage local communities in the areas where it operates, to build relationships of trust based on mutual respect, active partnership, transparency and long-term collaboration. More details on how this is implemented and the results achieved are provided in section SBM-2, “Interests and views of stakeholders”.
To achieve these objectives, the group has adopted various policies, each of which can be associated with one or more of the 17 Sustainable Development Goals, highlighting Buzzi's concrete contribution to the 2030 Agenda.

Our value chain, illustrated on the following page, shows the main resource inflows and outflows from our activities focused on the production of cement, concrete and aggregates. In line with note 9 and note 10 of the financial statement, it is highlighted that the main resource inflows are raw materials and consumables, electricity, fuels, other goods and finished products, and services such as transportation and plant maintenance activities.
Regarding raw materials (e.g. limestone for cement production or aggregates for concrete), these are generally obtained from our quarries. Additionally, where possible, waste products from other industrial processes or demolition are also used.
Downstream of production, our products are destined for concrete product manufacturers as well as third-party companies dedicated to ready-mix concrete, resale and marketing, or directly to construction companies for the placing of the material.
At this stage, our technicians also provide expert advice, particularly regarding the implementation of sustainable solutions.

OUR VALUE CHAIN



Data and information related to the value chain upstream or downstream of our activities are detailed in the related *Accounting policies* described in each section.
Information on stakeholder engagement across the entire value chain is provided in the following chapters.

|| SBM-2

Interests and views of stakeholders

In 2018, we published our Stakeholder Engagement policy, available in the Sustainability section of the website, highlighting the recognized importance of building and maintaining relationships of trust and collaboration with our stakeholders. The purpose of engagement activities is to facilitate interactions between the company and its stakeholders, so that they may become opportunities for mutual growth and enrichment, while also reducing past or present potential conflicts or misunderstandings. Stakeholder engagement is essential to promote the achievement of corporate objectives and generate value for the community. To build trust with stakeholders, it is necessary to know them, understand their expectations and concerns, listen to their demands, provide feedback and encourage their involvement. The main categories of stakeholders for Buzzi are employees, suppliers, customers, local communities and organizations, investors and industry associations.

As part of the double materiality analysis for assessing sustainability impacts, various categories of stakeholders were consulted directly or through their representatives. The result of the analysis was used to determine the relevant sustainability issues for reporting purposes. In chapter GOV-2, "Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies" is described how the stakeholders' perspectives on impacts, risks and opportunities were brought to the attention of the Board of Directors and the Board of Statutory Auditors.

The following table illustrates some examples of collaboration with the main stakeholders of our company.

Stakeholder category	Engagement approach	Purpose of engagement	Examples of outcomes
Employees	- Surveys - Consultation with workers' representatives - Training - Events in production plants	- Assessment of the materiality of impacts - Consideration of workers' needs - Creation of an inclusive and sustainable work environment	- Identification of material impacts - Personal and professional growth
Suppliers	- Surveys - Sharing of Code of Conduct values - Interviews and assessments	- Assessment of the materiality of impacts - Long-term collaboration	- Identification of relevant impacts - Conscious selection of suppliers
Clients	- Surveys - Communication campaigns	- Assessment of the materiality of impacts - Promoting awareness of more sustainable products	- Identification of relevant impacts - Mutual awareness of needs and efforts
Local communities and organizations	- Surveys - Tours and events in production plants - Collaboration and projects for mutual growth	- Assessment of the materiality of impact - Addressing community concerns and questions - Building trust relationships	- Relevant engagement programs in 100% of full-cycle cement plants - Identification of relevant impacts - Opportunities for growth and mutual enrichment
Shareholders	- Meetings and presentations - Press releases - Roadshows	- Understanding expectations - Attracting responsible investors - Promoting transparency	- Improvement of ESG ratings - Answers to shareholders' questions
Industry associations	- Participation in working groups - Participation in workshops and courses	- Encouraging joint initiatives and programs - Developing industry standards	- Sector guidelines on sustainability topics
Nature (*silent stakeholder*)	- Interviews with university professors	- Assessment of the materiality of impacts	- Identification of relevant impacts

|| SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

Through the double materiality assessment process, described in chapter IRO-1, "Description of the processes to identify and assess material impacts, risks and opportunities", we identified the relevant impacts on the environment and people (impact materiality) and the financial risks and opportunities for the company (financial materiality) related to sustainability topics.

The results of the two processes were analyzed comprehensively, resulting in a total of 24 IROs (impacts, risks and opportunities), pertaining to 8 of the 10 sustainability topics identified in the ESRS.

A summary table of the results is provided below.

Overview of material topics for Buzzi

ESRS TOPICS		POSITIVE IMPACTS	NEGATIVE IMPACTS	RISKS	OPPORTUNITIES	RELEVANT FOR SUSTAINABILITY REPORTING
E1	**Climate change**	✓	✓	✓	✓	✓
E2	**Pollution**		✓			✓
E3	**Water and marine resources**		✓			✓
E4	**Biodiversity and ecosystems**		✓			✓
E5	**Resource use and circular economy**	✓	✓	✓	✓	✓
S1	**Own workforce**	✓		✓		✓
S2	**Workers in the value chain**			✓		✓
S3	**Affected communities**					
S4	**Consumers and end-users**					
G1	**Business conduct**	✓				✓

The following tables show the impacts, risks and opportunities that were relevant from the double materiality analysis. For each of them, the associated ESRS topic is specified, corresponding to the section of the sustainability statement where more information can be found, and the subtopic.

Additionally, for each IRO it is indicated where it occurs in the value chain: upstream (❮◆❯), Buzzi Group (❮◆❯), downstream (❮◆❯).

The impacts can be actual or potential, as indicated in the following tables. The relevant risks and opportunities are all potential in the long term.

More information on impacts, risks and opportunities and how they are managed is provided in the Environment, Social and Governance sections.

Buzzi is aware that its environmental impacts have potential repercussions on local communities, even though the topic S3 "Affected Communities" is not considered relevant. We believe that our reporting on environmental topics identified by the ESRS is sufficient to meet the informational needs of all stakeholders, including local communities. Additionally, the company has adopted a Stakeholder

Engagement policy to consider the opinions of all stakeholders, particularly the local communities where the company operates, as described in chapter SBM-2, "Interests and views of stakeholders".

RELEVANT POSITIVE IMPACTS

IMPACTS	ACTUAL / POTENTIAL	TIME HORIZON	VALUE CHAIN	TOPIC	SUBTOPIC	PAGE
Contribution to objectives of global warming reduction according to Paris Agreements (2015)	*actual*	-	❮◆❯	Climate change	Climate change mitigation	66
Boosting circular economy by increasing the use of by-products and waste as raw materials, components or alternative fuels (including demolition waste)	*actual*	-	❮◆	Resource use and circular economy	Resources inflows, including resource use	103
Sharing of the company's values with all stakeholders	*actual*	-	◆	Business conduct	Corporate culture	123
Increasing safety awareness and culture of our workers	*actual*	-	◆	Own workforce	Working conditions	117
Guaranteeing business continuity and secure employment for workers	*actual*	-	◆	Own workforce	Working conditions	108
Respect for human rights in all countries where the company operates, beyond local laws and practices	*actual*	-	◆	Own workforce	Equal treatment and opportunities	108
Development and sharing of sectorial good practices (e.g. decarbonization plans, safety best practices)	*actual*	-	❮◆❯	Business conduct	Political engagement and lobbying activities	123

❮ upstream ◆ Buzzi group ❯ downstream

RELEVANT NEGATIVE IMPACTS

IMPACTS	ACTUAL / POTENTIAL	TIME HORIZON	VALUE CHAIN	TOPIC	SUBTOPIC	PAGE
Emission of CO_2 into atmosphere	*actual*	-	◆	Climate change	Climate change mitigation	66
Air emissions of SO_2, NOx and micropollutants into atmosphere	*actual*	-	◆	Pollution	Pollution of air	91
High consumption of energy due to energy-intensive production	*actual*	-	◆	Climate change	Energy	66
Reduction of the availability of natural raw materials at local or global level caused by a limited use of alternative materials	*potential*	*long term*	❮ ◆	Resource use and circular economy	Resources inflows, including resource use	103
Land-use change with decreasing of biodiversity and worsening of ecosystems (land degradation, desertification or soil sealing)	*potential*	*long term*	❮ ◆ ❯	Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	99
Water withdrawals in water stressed areas	*actual*	-	◆	Water and marine resources	Water and marine resources	95
Emissions of dust in the atmosphere	*actual*	-	◆	Pollution	Pollution of air	91

❮ upstream ◆ Buzzi group ❯ downstream

RELEVANT OPPORTUNITIES

OPPORTUNITIES	ACTUAL / POTENTIAL	TIME HORIZON	VALUE CHAIN	TOPIC	SUBTOPIC	PAGE
Collaborations and partnerships for sustainability in the construction sector	*potential*	*long term*	◆❯	Climate change	Climate change adaptation Climate change mitigation	66
Increased demand for new infrastructures to support urbanization growth	*potential*	*long term*	◆	Climate change	Climate change adaptation Climate change mitigation	66
Enhance circular economy and use of waste materials	*potential*	*long term*	◆	Resource use and circular economy	Resources inflows, including resource use	103
Investments in renewable energy to reduce energy costs	*potential*	*long term*	◆	Climate change	Energy	66

❮ upstream ◆ Buzzi group ❯ downstream

MATERIAL RISKS

RISKS	ACTUAL / POTENTIAL	TIME HORIZON	VALUE CHAIN	TOPIC	SUBTOPIC	PAGE
Increase in extreme weather events due to climate change, resulting in damage or reduced efficiency of plants	*potential*	*long term*	❮◆❯	Climate change	Climate change adaptation	66
Risk to fail in achieving decarbonization goals due to external circumstances and/or technological limitation, with potential reputational damage	*potential*	*long term*	◆	Climate change	Climate change mitigation	66
Scarcity of (natural/alternative) raw materials and water	*potential*	*long term*	❮◆	Climate change	Climate change adaptation	66
				Resource use and circular economy	Resources inflows, including resource use	103
Risk that companies of our value chain do not attract, motivate and retain skilled people	*potential*	*long term*	❮◆	Own workforce	Working conditions	108
					Equal treatment and opportunities for all (Training and skills development)	
				Workers in the value chain	Working conditions	121
					Equal treatment and opportunities for all (Training and skills development)	
Risks related to the implementation of new regulations for CO_2 emissions reduction outside EU countries	*potential*	*long term*	◆	Climate change	Climate change mitigation	66
Competition with companies producing outside EU ETS-countries	*potential*	*long term*	◆	Climate change	Climate change mitigation	66

❮ upstream ◆ Buzzi group ❯ downstream

The actions implemented or planned to address relevant impacts, risks and opportunities are described in the following thematic chapters, along with how they are integrated into the corporate strategy.
As specified in note 4 of the consolidated financial statement, no significant financial effects related to the risks and opportunities identified as relevant by the double materiality process have been reported to date. Additionally, no significant risks of impairments or adjustments to the carrying amounts of assets and liabilities reported in the consolidated financial statement have emerged for the next fiscal year.

Furthermore, management believes that the company's strategies and organization are capable of ensuring the necessary resilience to impacts, containing risks and seizing opportunities, as described in the respective sections of the document through the implementation, where necessary, of policies, actions and targets.

The anticipated financial effects may not be quantified for the first year of CSRD application (phased-in), in accordance with appendix C – ESRS 1.

Changes in relevant IROs compared to the previous year

The relevance assessment according to GRI standards only considered the company's impacts on people and the environment.
With the introduction of new European standards, the analysis must be conducted according to the principle of double materiality: the perspective of impact materiality assessment has shifted from "impacts of companies on the economy, environment and people" to "impact of the company on the environment and people" and the financial perspective, including risks and opportunities to which the company may be exposed regarding sustainability issues, has been introduced. Additionally, the classification of topics has changed.
For these and other reasons, the relevance assessment has varied considerably compared to recent years, although the sustainability issues identified as relevant have mostly been confirmed.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

|| IRO-1

Description of the processes to identify and assess material impacts, risks and opportunities

A key element in preparing the sustainability statement according to the requirements of the new European standards is the double materiality analysis: to identify relevant impacts, risks and opportunities, we designed and developed a sequential process, defining aggregation and calculation methodologies and identifying materiality thresholds as indicated by the EFRAG IG-1 "Materiality Assessment guideline".

The starting point was the impact materiality analysis conducted for the publication of the 2022 sustainability report, based for the first time on the assessment of the company's impacts on the economy, environment and people from an exclusively external perspective (inside-out). At the end of 2023, the list of impacts was updated to prepare for the entry into force of the ESRS, maintaining compliance with the GRI Standards still adopted for the 2023 sustainability report. In 2024, the impact assessment process was further updated to include the direct contribution of stakeholders, extend the assessment to the value chain and integrate the financial materiality analysis (outside-in) to identify relevant risks and opportunities related to sustainability topics. For the financial assessment, the risk management system already implemented by the company and used for financial reporting purposes was utilized.

The following pages provide detailed information on the results of our double materiality assessment and the applied process.

Extension of the double materiality assessment

The process followed for identifying impacts, risks and opportunities focused on the company's two main activities, namely cement and concrete production, and took into account the value chain, with particular attention to suppliers and customers directly related to it (*tier 1*).
The group's geographical areas were considered to reflect their specific weight.

Stakeholder engagement

For the impact materiality assessment, internal company experts, external experts and stakeholder groups selected by category and geographical area were involved.
The categories of "affected stakeholders" considered were:

- employees, randomly selected and equally divided by gender, age and professional category;
- suppliers, selected from the main categories of materials and services;
- customers, identified for both of the group's main businesses;
- local communities, represented by public administrations, NGOs, schools, etc.

Additionally, representatives from the academic world were interviewed to represent the perspective of the so-called silent stakeholders.
More details on stakeholder engagement are provided in the paragraph "Impact Materiality Assessment Process".

For financial materiality, a large group of managers, both at headquarters and in operating companies, were involved in assessing the risks and opportunities for the company.
More details are provided in chapter SBM-2, "Interests and views of stakeholders".

Determination of calculation factors and thresholds

The methodology adopted, approved by the Control, Risks and Sustainability Committee, included the identification and application of the criteria presented below.

<u>Impacts</u>

The quantification of the impacts took place by combining the following factors:

- Scale: quantification of the beneficial effect or severity of the impact based on assessments by internal experts and external stakeholders;
- Scope: spread of impacts evaluated by considering their extent (local or global impact) and diffusion (percentage of stakeholders identifying such impact);
- Likelihood: factor identified only for potential impacts, considered as unlikely, likely or very likely;
- Irremediability: factor evaluated only for negative impacts representing the possibility of remedying them in a short time;
- Impact on human rights: in the case of potential negative impacts on human rights, the likelihood of occurrence was considered maximum, equating the potential impact to an actual one and effectively prioritizing scope and scale.

To the final results of the aforementioned quantification, specific materiality thresholds were applied, identified in such a way as to ensure:

- a proper selection between relevant and non-relevant impacts;
- a fair balance between positive and negative aspects;
- consistency and continuity of information with what is reported in previous Sustainability Reports.

Risks and Opportunities
In determining the materiality of risks, we considered the following factors, prior to mitigation measures:
- the financial effect of the risk on the company, assessed quantitatively for short-medium term risks and qualitatively for long-term risks;
- the likelihood of occurrence, assessed qualitatively on a scale from 1 (very low) to 5 (very high).

For the materiality of opportunities, the assessment was based on the following qualitative measures:
- financial effect, indicated on a scale from 1 (negligible) to 5 (very significant),
- likelihood of occurrence, expressed with a value from 1 (very low) to 5 (very high).

For short-medium term risks, a quantitative threshold was identified based on the group's total revenue, while for long-term risks and opportunities, a matrix of financial effect and likelihood was used to identify those that are material.

Impact materiality assessment process

The process of the impact materiality assessment has been developed as follows:

1. Identification of impacts
   The impacts were identified by the Sustainability Department starting from the list of sustainability issues indicated by the ESRS standard, analyzing the corporate context with the integration of information from various sources (such as, for example, the Internal Control and Risk Management System, newspaper and web articles, internal consultation and documentation). As a result of the process, a list of positive or negative, current or potential impacts to be assessed for their materiality was obtained.

2. First phase of stakeholder engagement (internal and external experts)
   The impacts were assessed for scale and scope through the involvement of internal and external experts, capable of representing the point of view of the different categories of stakeholders regarding the impacts themselves, whose specificities are not always known outside the circle of insiders: each impact was assessed, during interviews guided by the Sustainability Department, by a group of experts, homogeneous in terms of stakeholder representation and area of origin. A subsequent peer-review phase allowed for further control of the assessment.

3. Second phase of stakeholder engagement
   Stakeholders selected by category and geographical area were directly interviewed through questionnaires regarding the sustainability issues on which the company has or could have a very positive or very negative impact.

4. Determination of calculation factors
   The scale and scope of each impact were calculated through the combination of the results obtained from the previous phases of stakeholder engagement. The other factors (likelihood of occurrence, irremediability and impact on human rights) were assessed internally by the Sustainability Department. For more information, see the previous paragraph, "Determination of calculation factors and thresholds".

5. Final assessment and prioritization
   For each impact, the factors described in the chapter "Determination of calculation factors" were aggregated into a tool to calculate a "materiality value" based on which the prioritization of impacts was carried out. Impacts whose materiality value exceeded the defined significance threshold were considered material.

Financial materiality assessment process

The assessment of financial materiality highlighted the relevant risks and opportunities related to sustainability issues for the company and its value chain. The process was developed as follows:

1. Collection of risks and opportunities with the ERM (Enterprise Risk Management) system
   The ERM risk management system was implemented to make this tool suitable for the collection and identification of short, medium and long-term risks and opportunities related to sustainability issues. Managers from various departments were involved in the process, many of whom were already engaged in the company's impact identification process.

2. Identification of risks and opportunities related to sustainability issues
   Starting from the complete list of identified risks and opportunities, the Sustainability Department determined the ones concerning sustainability issues, associating them with ESRS topics and sub-topics.

3. Grouping of risks and opportunities into clusters
   Risks and opportunities identified in different areas of the group were grouped into clusters based on the type, through a joint activity of the Sustainability Department and the Internal Audit function.

4. Assessment of materiality
   Short-medium term risks were assessed quantitatively, so the identified financial effect, multiplied by the likelihood of occurrence, was compared with the threshold identified in relation to the group's revenue.
   Long-term risks and opportunities were assessed qualitatively for financial effect and likelihood of occurrence. These factors were analyzed through a risk matrix, based on which their materiality was evaluated.
   For more information, see the chapter “Determination of calculation factors”.

Decision-making and control procedures

The Committee and the Board were informed in advance of the changes required in the materiality assessment due to the entry into force of the new regulations.
At the end of the double materiality assessment process, the results, reported in chapter SBM-3, “Material impacts, risks and opportunities and their interaction with the strategy and business model”, were presented to the Control, Risk and Sustainability Committee and approved by the Board of Directors on 7 February 2025.

|| IRO-2

Disclosure requirements in ESRS covered by the undertaking’s sustainability statement

The following table lists all the disclosure requirements identified in ESRS 2 and the disclosure requirements of the 8 relevant topical standards for Buzzi, on which this sustainability statement is based. Based on the relevant impacts, risks and opportunities identified by the previously presented process, each disclosure requirement was analyzed along with the related data points to identify the relevant metrics for reporting.
It also indicates for which disclosure requirements the company has utilized the transitional provisions (phased-in) and the reference to where in the document the information related to each relevant disclosure requirement is presented.

Table of contents – ESRS disclosure requirements

ESRS E3 Water and marine resources	**✓**	**95**
IRO-1	✓	95
E3-1	✓	95
E3-2	✓	95
E3-3	✓	96
E3-4	✓	96
E3-5	*phased-in*	-
ESRS E4 Biodiversity and ecosystems	**✓**	**99**
SBM-3	✓	99
IRO-1	✓	99
E4-1	✓	99
E4-2	✓	99
E4-3	✓	100
E4-4	✓	100
E4-5	✓	101
E4-6	*phased-in*	-
ESRS E5 Resource use and circular economy	**✓**	**103**
IRO-1	✓	103
E5-1	✓	103
E5-2	✓	103
E5-3	✓	104
E5-4	✓	105
E5-5	-	-
E5-6	*phased-in*	-
ESRS S1 Own workforce	**✓**	**108**
SBM-2	✓	108
SBM-3	✓	108
S1-1	✓	110, 117
S1-2	✓	109
S1-3	✓	110
S1-4	✓	111, 117
S1-5	✓	111, 119
S1-6	✓	112
S1-7	*phased-in*	-
S1-8	✓	114
S1-9	✓	115
S1-10	-	-
S1-11	*phased-in*	-
S1-12	*phased-in*	-
S1-13	✓	115
S1-14	✓	119
S1-15	*phased-in*	-
S1-16	-	-
S1-17	✓	116

ESRS S2 Workers in the value chain	✓	**121**
SBM-2	✓	121
SBM-3	✓	121
S2-1	✓	122
S2-2	✓	121
S2-3	✓	121
S2-4	✓	122
S2-5	✓	122
ESRS S3 Affected communities	-	-
ESRS S4 Consumers and end-users	-	-
ESRS G1 Business conduct	✓	**123**
GOV-1	✓	123
IRO-1	✓	124
G1-1	✓	124
G1-2	-	-
G1-3	✓	125
G1-4	✓	126
G1-5	✓	126
G1-6	-	-

List of information items referred to in the cross-cutting and thematic principles resulting from other EU legislative acts

The following table includes all the data points derived from other EU legislative acts, as listed in Appendix B of the ESRS 2 standard, indicating whether they were considered relevant and where they can be found in the sustainability statement.

Specifically, the following references to other regulations are reported:

- SFDR - Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1).
- Pillar 3 - Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).
- Benchmark Regulation - Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
- EU Climate Law: Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulation (EC) No 401/2009 and Regulation (EU) 2018/1999 (European Climate Law) (OJ L 243, 9.7.2021, p. 1).

Disclosure requirement	**Data point**		SFDR	Pillar 3	Reference Benchmark Regulation	EU Climate Law reference	**Materiality**	**Page**
ESRS 2 GOV-1	21 d)	Board's gender diversity	●		●		✓	38
ESRS 2 GOV-1	21 e)	Percentage of Board members who are independent			●		✓	38
ESRS 2 GOV-4	30	Statement on due diligence	●				✓	42
ESRS 2 SBM-1	40 d) i	Involvement in activities related to fossil fuel activities	●	●	●		-	-
ESRS 2 SBM-1	40 d) ii	Involvement in activities related to chemical production	●		●		-	-
ESRS 2 SBM-1	40 d) iii	Involvement in activities related to controversial weapons	●		●		-	-
ESRS 2 SBM-1	40 d) iv	Involvement in activities related to cultivation and production of tobacco			●		-	-
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				●	✓	71

Disclosure requirement	Data point		SFDR	Pillar 3	Reference Benchmark Regulation	EU Climate Law reference	**Materiality**	**Page**
ESRS E1-1	16 g)	Companies excluded from Paris-aligned Benchmarks		●	●		✓	71
ESRS E1-4	34	GHG emission reduction targets	●	●	●		✓	75
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by source	●				✓	76
ESRS E1-5	37	Energy consumption and mix	●				✓	76
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	●				✓	76
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	●	●	●		✓	79
ESRS E1-6	53-55	Gross GHG emissions intensity	●	●	●		✓	79
ESRS E1-7	56	GHG removals and carbon credits				●	-	-
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			●		-	-
ESRS E1-9	66 a), c)	Disaggregation of monetary amounts by acute and chronic physical risk and Location of significant assets at material physical risk		●			-	-
ESRS E1-9	67 c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		●			-	-
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			●		-	-
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●				✓	92
ESRS E3-1	9	Water and marine resources	●				✓	95

Disclosure requirement	Data point		SFDR	Pillar 3	Reference Benchmark Regulation	EU Climate Law reference	**Materiality**	**Page**
ESRS E3-1	13	Dedicated policy	●				-	-
ESRS E3-1	14	Sustainable oceans and seas	●				-	-
ESRS E3-4	28 c)	Total water recycled and reused	●				-	-
ESRS E3-4	29	Total water consumption in m^3 per net revenue on own operations	●				✓	96
ESRS 2 IRO-1 – E4	16 a) i	Activities negatively affecting biodiversity sensitive areas	●				✓	99
ESRS 2 IRO-1 – E4	16 b)	Material negative impacts with regards to land degradation, desertification or soil sealing	●				-	-
ESRS 2 IRO-1 – E4	16 c)	Operations that affect threatened species	●				-	-
ESRS E4-2	24 b)	Sustainable land / agriculture practices or policies	●				-	-
ESRS E4-2	24 c)	Sustainable oceans / seas practices or policies	●				-	-
ESRS E4-2	24 d)	Policies to address deforestation	●				-	-
ESRS E5-5	37 d)	Non-recycled waste	●				-	-
ESRS E5-5	39	Hazardous waste and radioactive waste	●				-	-
ESRS 2 – SBM3 – S1	14 f)	Risk of incidents of forced labor	●				-	-
ESRS 2 – SBM3 – S1	14 g)	Risk of incidents of child labor	●				-	-

Disclosure requirement	Data point		SFDR	Pillar 3	Reference Benchmark Regulation	EU Climate Law reference	Materiality	Page
ESRS S1-1	20	Human rights policy commitments	●				✓	110
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8			●		-	-
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	●				✓	110
ESRS S1-1	23	Workplace accident prevention policy or management system	●				✓	117
ESRS S1-3	32 c)	Grievance/complaints handling mechanisms	●				✓	110
ESRS S1-14	88 b), c)	Number of fatalities and number and rate of work-related accidents	●		●		✓	119
ESRS S1-14	88 e)	Number of days lost to injuries, accidents, fatalities or illness	●				✓	119
ESRS S1-16	97 a)	Unadjusted gender pay gap	●		●		-	-
ESRS S1-16	97 b)	Excessive CEO pay ratio	●				-	-
ESRS S1-17	103 a)	Incidents of discrimination	●				✓	116
ESR S1-17	104 a)	Non-respect of UNGPs on Business and Human Rights and OECD	●		●		✓	116
ESRS 2 SBM-3 – S2	11 b)	Significant risk of child labor or forced labor in the value chain	●				-	-
ESRS S2-1	17	Human rights policy commitments	●				✓	122
ESRS S2-1	18	Policies related to value chain workers	●				✓	122

Disclosure requirement	Data point		SFDR	Pillar 3	Reference Benchmark Regulation	EU Climate Law reference	**Materiality**	**Page**
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	●		●		-	-
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			●		-	-
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	●				-	-
ESRS S3-1	16	Human rights policy commitments	●				-	-
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	●		●		-	-
ESRS S3-4	36	Human rights issues and incidents	●				-	-
ESRS S4-1	16	Policies related to consumers and end-users	●				-	-
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●		●		-	-
ESRS S4-4	35	Human rights issues and incidents	●				-	-
ESRS G1-1	10 b)	United Nations Convention against Corruption	●				-	-
ESRS G1-1	10 d)	Protection of whistleblowers	●				-	-
ESRS G1-4	24 a)	Fines for violation of anti-corruption and anti-bribery laws	●		●		✓	126
ESRS G1-4	24 b)	Standards of anti- corruption and anti-bribery	●				-	-

ENVIRONMENT

CLIMATE CHANGE

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Positive impacts	• Contribution to objectives of global warming reduction according to Paris Agreements (2015)
Negative impacts	• Emission of CO_2 into atmosphere • High consumption of energy due to energy-intensive production
Opportunities	• Collaborations and partnerships for sustainability in the construction sector • Increased demand for new infrastructures to support urbanization growth • Investments in renewable energy to reduce energy costs
Risks	• Increase in extreme weather events due to climate change, resulting in damage or reduced efficiency of plants • Risk to fail in achieving decarbonization goals due to external circumstances and/or technological limitation, with potential reputational damage • Scarcity of (natural/alternative) raw materials and water • Risks related to the implementation of new regulations for CO_2 emissions reduction outside EU-countries • Competition with companies producing outside EU ETS-countries

|| SBM-3 || IRO-1

Description of the processes to identify and assess material climate-related impacts, risks and opportunities and their interaction with strategy and business model

Our approach to determining relevant impacts, risks and opportunities is described in the section General Information, IRO-1, along with the engagement processes to consider the interests and opinions of stakeholders. Specifically, regarding climate-related issues, impacts, risk, and opportunities related to our manufacturing activities and value chain have been identified and assessed.

The cement production cycle requires a high use of thermal energy. To produce clinker, the main constituent of cement, the material inside the kilns must reach a temperature of about 1,450°C, which, with current technologies, is achieved through the use of fuels.

Their combustion, depending on the type and process conditions, generates up to ⅓ of the CO_2 emissions typical of a cement plant. However, the most significant share, at least ⅔, is due to the "decomposition" of limestone (decarbonation), the main and irreplaceable raw material for clinker production.

The sum of the two components, combustion and decarbonation, constitutes the "scope 1" CO_2 emission, also called "direct" because it is released directly by the organization. A second share of CO_2 emissions, called "scope 2", is derived from the use of fossil fuels in power plants that supply all or part of the electricity used in the cement production process (and therefore "indirect").

A third share of CO_2 emissions is "scope 3", also indirect, which includes various contributions, such as emissions from the extraction and production activities of materials and fuels used in the factory, emissions associated with the means and distances traveled for product delivery, Scope 1 and 2 emissions of affiliated companies, joint ventures or other associates outside the consolidation scope, etc.

Aware of the relevance of its CO_2 emissions, the company has long been committed to implementing specific emission reduction plans, in line with those proposed at the association level, and promoting the efficient use of cement in concrete and concrete in design and construction to achieve climate neutrality by 2050.

The continuous evolution of the environmental, regulatory, technological and market context requires almost continuous updating of reduction plans, and consequently impacts, risks and opportunities must be periodically updated.
Regarding climate issues, the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) constitute an important reference, which is referred to by the European Taxonomy Regulation and explicitly mentioned by the ESRS standards. The TCFD divides climate-related risks into two categories: physical risks and transition risks. Physical risks are those related to the occurrence of extreme events (acute) and long-term change trends (chronic). Transition risks are those that may arise from the adoption of legislative acts in the countries where the group is present, which introduce or tighten constraints on product characteristics and/or requirements for production. Depending on their nature, the above risks can have different impacts: reputational, financial, productive, competitive.
In 2022, to assess its resilience to climate-related risks, the company launched a specific project, following the TCFD recommendations, evaluating and quantifying the risks arising from climate change. The working group, coordinated by a specialized external consulting firm, considered both physical and transition risks. The project, approved by the CEOs, considered all the group's subsidiaries operating in the cement business, excluding Russian companies, for which the group has ceased all involvement in operational activities. The Brazilian subsidiary was not included because, at the time, it was not in a condition to be consolidated.

First, a preliminary analysis based on literature data was carried out to identify the scenarios under which to assess climate-related risks relevant to the cement industry and the methods for their quantification. This preliminary analysis was integrated with a benchmarking activity to verify the validity of the approach adopted with that of other large companies. Subsequently, through a structured questionnaire, a first screening of relevant physical and transition risks was conducted. Additionally, information was collected on the damages caused by extreme events related to climatic factors (e.g., floods, heavy rainfall, etc.) that occurred in the past. This allowed understanding which risks needed further investigation and which sites were most exposed.
Following the TCFD guidelines and considering the uncertainties related to long-term time horizons, two different scenarios were considered: one characterized by continuously increasing CO_2 emissions throughout the 21st century (4°C scenario) and one with decreasing CO_2 emissions until reaching net-zero condition by 2050 (1.5°C scenario). The scenarios were developed considering climate projections developed by the Intergovernmental Panel on Climate Change (IPCC), data from the International Energy Agency (IEA), and decarbonization targets established or announced by national policies. The 4°C scenario was particularly relevant for physical risks, while the 1.5°C scenario was relevant for transition risks. The potential impacts of climate change were assessed considering different time horizons: short-term (until 2025), medium-term (2030) and long-term (2040-2050).

The results of this analysis, shared with management and the administrative, management and control bodies, through the Control, Risk and Sustainability Committee, in 2024 were integrated and appropriately revised within the Enterprise Risk Management for medium and long-term assessments.

Physical risks

The following table highlights the relevant physical risks identified among those indicated by the Taxonomy (Reg. 852/2020/EU and related delegated acts), which, as also described in the chapter "Taxonomy", provides criteria for classifying a number of economic activities as "environmentally sustainable", including cement production. The relevance of the risks was determined based on the geographical location of the production sites, proximity to watercourses, the number and criticality of plants potentially reached by water in case of flooding. These assessments were also used for determining financial impacts as required by the double materiality analysis.

RISKS	**TYPE**	**POTENTIAL FINANCIAL IMPACT**	**TIME HORIZON**	**MANAGEMENT OF AND RESPONSE TO THE RISK**
Increase in extreme weather events due to climate change, resulting in damage or reduced efficiency of plants	*Acute physical risk*	Besides causing direct damage to the affected assets, an increase in the level and extent of floods could also lead to a reduction in production and margins.	Long term	The group carried out an assessment of the likelihood of experiencing floods, identifying the facilities considered most at risk and quantifying the property damage and the losses resulting from potential interruptions of operations. Additional prevention and mitigation measures are currently being evaluated for the facilities at risk of flooding, beyond those already implemented.
Scarcity of (natural/alternative) raw materials and water	*Chronic physical risk*	This risk can become significant in areas of high water stress, where the ratio of total water withdrawals to available water supplies is greater than 40% (according to the Aqueduct Water Risk Atlas of the World Research Institute - WRI). Plants located in water-stressed areas may face water shortages and therefore suffer production interruptions and reduced margins.	Long term	In order to cope with risks related to water conservation and quality, Buzzi monitors its consumption and adopts systems for collecting, treating and recirculating rainwater and/or washing water in all its industrial plants regardless of the risk they are exposed to currently or in the future. All plants adopted the Group's guidelines for monitoring and reporting on withdrawals, discharges and consumption from 2020.

Transition risks

Cement production involves emissions of CO_2 which, among all greenhouse gases, is the most widespread, although not the one with the highest climate-altering effect. In Europe, relevant industrial installations emitting CO_2 are subject to the obligations of the ETS (Emissions Trading System) directive, which imposes their substantial and progressive reduction compared to 2005 levels. ETS-like schemes are being studied and/or implemented in other parts of the world, as well as emission taxation systems.

The fact that approximately 60% of CO_2 emissions are not attributable solely to the use of fossil fuels classifies the cement sector as one of those "hard to abate". To date, therefore, to achieve climate neutrality, innovative technologies such as CO_2 capture must be considered. Many of these technologies are still in an experimental phase, far from possible industrial-scale use.
Additionally, we must highlight the almost total absence of infrastructure for CO_2 transport and storage, whose realization and identification primarily fall to the central and local administrations of individual states.

Meanwhile, the emission reduction measures that the group is implementing involve the production of cements with lower clinker content and increased use of alternative fuels with biomass for clinker production.
However, these measures are not without risks: cements with lower clinker content may require more or less significant adjustments during use, not all of which can be implemented quickly, and the availability of clinker substitute materials could slow down or even make their production impossible. The use of alternative fuels requires permits, the obtaining of which sometimes takes too long, incompatibly with achieving decarbonization targets.

The risks reported below are relevant in the long term. To date, as detailed in chapter General Information, SBM-3, we have not identified any significant financial effects to report in the financial statements, nor significant risks of impairments or adjustments in the next fiscal year of the book values of assets and liabilities reported in the consolidated financial statement. As explained in note 4, climate change-related risks have been appropriately considered in management's assumptions and estimates, particularly regarding the evaluations of investments needed to ensure compliance with regulations and achieve decarbonization targets.

RISKS	TIPO	POTENTIAL FINANCIAL IMPACT	TIME HORIZON	MANAGEMENT OF AND RESPONSE TO THE RISK
Risks related to the implementation of new regulations for CO_2 emissions reduction outside EU-countries Competition with companies producing outside EU ETS-countries	*Transition risk (Policy & Legal)*	The introduction or tightening of policies to reduce emissions cause reduced margins or loss of competitiveness, leading to potential site closures.	Long term	Through its trade associations, the Group monitors the evolution of policies and regulations in the geographical areas in which it operates. Buzzi recognizes the importance of the commitments made by the international community to limit climate change and has adopted a specific policy and medium-long term plan (roadmap) to reduce its CO_2 emissions and achieve Net Zero by 2050.
Risk to fail in achieving decarbonization goals due to external circumstances and/or technological limitation, with potential reputational damage	*Transition risk (Technological)*	The incomplete implementation of decarbonization initiatives such as carbon capture, storage and reuse, the utilization of renewable energies and the reduction of clinker-to-cement ratio may lead to higher costs.	Long term	The company participates as an industrial partner in national and international research projects, contributing to the development of new materials and technologies and the creation of knowledge networks with excellent facilities in the field of scientific research. One example is the European Commission funded "Cleanker" project to test a CO_2 capture pilot plant, ended in 2023. Another example is the HERCCULES project, in collaboration with 22 international partners, with the aim to demonstrate to demonstrate the feasibility of the entire Carbon Capture, Utilization and Storage (CCUS) chain.

As mentioned, the effectiveness of some cement decarbonization levers could be limited by factors beyond the manufacturer's control with the consequent risk of reaching the Net Zero target in longer than expected.

In such a context, the construction industry, which is also committed to finding increasingly sustainable solutions, might prefer alternative materials to concrete, such as wood or steel. A significant market shift towards other construction materials is not currently considered a risk that would have a significant financial impact on the company. Nevertheless, Buzzi is constantly committed to illustrating the progress of its initiatives and the cost/benefit ratio of its choices to the entire value chain in a serious and documented manner, in line with its code of conduct and founding values.
Research and development activities, carried out independently or in collaboration with other actors, contribute to the development of new products and new production technologies. Additionally, through the active participation of its representatives and experts in sector association initiatives, both national and international, and in technical standardization working groups, Buzzi helps promote the best practices and support the neutrality of materials used in construction, based on their entire life cycle (LCA).

|| MDR-P || E1-2

Policies related to climate change mitigation and adaptation

Buzzi recognizes the importance of the efforts made by the international community to limit climate change, as described in the Climate Change Policy, and is committed to monitoring and reducing their CO_2 emissions. Following the Paris Agreement of December 2015, the commitment on this issue is extended to all the countries where the group operates.

The policy relating to climate change mitigation, signed by the CEO, is made available to all our stakeholders on the website https://sustainability.buzzi.com/ along with significant performance indicators and data. Internally, the document can be reached by our employees via the company intranet.

|| E1-1

Transition plan for climate change mitigation

To demonstrate climate change mitigation efforts, we have developed the roadmap "Our Journey to Net Zero", a long-term plan for decarbonization in line with a trajectory that contains the increase in global temperature well below 2 degrees. The plan, together with investment forecasts related to decarbonization projects, was presented to the Board of Directors, which formally took note of it on 29 April 2022. Within the next 2 years, we will update our roadmap to be in line with the 1.5°C scenario.

Our roadmap foresees different solutions, with different intensity and implementation time, which have as a direct or indirect consequence the reduction of scope 1 and scope 2 CO_2 emissions.
The roadmap has been developed considering all the companies included in the scope of consolidation, excluding Russian ones due to the current cessation of operational involvement.
Production data only includes grey clinker (standard and oil-well), which accounts for more than 99% of the total production of clinker, and all cements/binders formulated with it.

Our Roadmap contains commitments and forward-looking statements based on assumptions and estimates. Even if the company believes that they are realistic and formulated with prudential criteria, factors external to its will could limit their consistency (or precision, or extent), causing even significant deviations from expectation. The Company will update its commitments and forward-looking statements according to the actual performance and will give an account of the reasons for any deviation. More specifically, these are some main conditions that may influence our path to decarbonization:

- For CO_2 capture and storage infrastructure we expect fruitful cooperation of different actors in order to:
    - build and manage the CO_2 transport network;
    - identify storage or reuse sites (e.g. biofuel production);
    - gain the acceptance by the public opinion;
    - obtain adequate support from the government.
- We assume that clinker substitute materials (slag, pozzolans, fly ash, etc.) remain available and at competitive costs.
- Up to 2030, our production scenario takes into account the market forecasts provided by individual countries and we assume an increase of between 5% and 10% within 2030 and 2050 compared to 2021.
- We expect institutional support in permits and specific authorizations to facilitate the use of alternative fuels and the implementation of innovative technologies.
- We expect a greater availability of electricity from renewable sources: our roadmap considers decarbonization plans announced at national level for the electricity sector, which envisage the progressive use of renewable sources and for the residual share of production with fossil fuels the use of CO_2 capture and storage.

We are actively involved, also through industry associations, in the development of favorable conditions to reach Roadmap's goals.

Our Roadmap is built on all the levers recognized for our sector, with reference to regional and global associations roadmaps.

- Efficiency in concrete production and design & construction: a more efficient use of cement in concrete and of concrete in design & construction leads to fewer emissions.

- Clinker content in cements: clinker is the constituent of cement whose production entails almost all the emitted direct CO_2. Producing cements with lower clinker content is therefore a way to reduce CO_2 emissions.
- Savings in clinker production: CO_2 savings can be achieved through lower thermal energy consumption, waste heat recovery, use of alternative fuels with biomass content and of fossil fuels with lower emission factor.
- Recarbonation: this lever consists in a well-known property of cement matrices of "reabsorbing" a part of the CO_2 from the atmosphere due to a chemical reaction which leads to the formation of calcium carbonate.
- Decarbonization of electricity: we took into consideration the decarbonization plans announced by many countries which will use more and more renewable sources to produce electricity. We also foresee to produce electricity in our own installations from renewable sources.
- Carbon Capture, Usage and Storage: it is the lever to which the higher reduction is entrusted and it is also the one that requires the major investments both for us and for other subjects (private and public) in charge of the construction or adaptation of transport infrastructures, storage or possible reuse of CO_2.

To achieve the expected results, the company is implementing a series of actions, presented in chapter E1-3, "Actions and resources in relation to climate change policies". Capital investments and associated operating expenses are described in the chapter "Taxonomy", since they provide a substantial contribution to the objective of climate change mitigation and, consequently, are reported pursuant to the Delegated Regulation (EU) 2021/2178.
As far as is known, the company is not excluded from EU Paris-aligned benchmarks.

We are aware that the transition to a carbon-neutral economy could be slowed down by "locked-in emissions". Regarding direct scope 1 emissions, as described in detail in the chapter "Description of the processes to identify and assess material climate-related impacts, risks and opportunities and their interaction with strategy and business model", the share of emissions linked to decarbonation cannot be eliminated, except through systems for the capture, storage and/or reuse of CO_2. In addition, with current technologies, some processes cannot be converted into electric.
While indirect scope 2 emissions are less significant than direct scope 1 emissions, they account for a significant portion of total emissions. With improvements in energy efficiency and the adoption of renewable energy sources by both, us and manufacturers, locked-in emissions will represent an increasingly small share by reducing residual emissions in the production system.

The advancement of the implementation of the decarbonization transition plan is reported in chapter E1-4, "Targets related to climate change mitigation and adaptation".

|| GOV-3

Integration of sustainability-related performance in incentive schemes

Buzzi's Remuneration Policy objective is to attract, retain and motivate qualified people with professional skills and qualities which are appropriate to the management needs of the company. An important pillar of the Policy is made up of short- and long-term incentive plans, with measurable objectives, both common and individual, the achievement of which determines the allocation of additional compensation.

The plans must necessarily include objectives linked to sustainability indicators, as detailed in the chapter General Information, GOV-3.

|| MDR-A || E1-3

Actions and resources in relation to climate change policies

Below, broken down by some of our levers, are the main actions to address impacts, risks and opportunities related to climate change, active and/or undertaken in 2024 or planned for the future, with a time horizon that even reaches 2030. In total there are over 100 projects spread throughout the countries of the group that lead to reductions of direct and indirect CO_2 emissions.

The capital investments and operating expenses associated with these actions are explained in the chapter "Taxonomy".

- Lever "Reduction of clinker content in cements"

Key actions	Time horizon	Scope
Changes in the cement sales mix to increase the share of those with lower clinker content. Reduction of the clinker/cement ratio through increased use of constituents substituting clinker, such as slag, fly ash, pozzolans, limestone	Ongoing and planned projects for the future, with a time horizon until 2030	43 projects distributed across various areas of the group: Italy, Poland, the Czech Republic and Germany
Installation of new silos or conversion of existing ones to increase the use of clinker substitutes, performance-enhancing additives and to expand the range of sustainable products; creation of new loading points	Ongoing and planned projects for the future	18 projects in Poland, Germany, the Czech Republic and the United States

- Lever "Savings in clinker production"

Key actions	Time horizon	Scope
Introduction or increase in the use of alternative fuels, some of which otherwise destined for landfill, with high biomass content	Ongoing and planned projects for the future, with a time horizon until 2030	7 projects in Italy, the Czech Republic, Luxemburg, Germany
Design and installation of facilities for the use of alternative fuels	Ongoing and planned projects for the future, with a time horizon until 2027	9 projects in Italy, Germany and the United States
Design and installation of bypass systems for the reduction of chlorine and alkalis in order to increase the use of alternative fuels	Ongoing and planned projects for the future, with a time horizon until 2030	5 projects in Italy and the United States
Introduction or modifications to the kiln to use natural gas instead of fossil fuels with a higher emission factor for the same energy output	From 2025 to 2029	12 projects in Italy, Germany and the United States
Reduction of thermal and electrical consumption with recovery systems (e.g., Waste Heat Recovery) and/or higher efficiency systems (e.g., inverters); process optimization	Ongoing and planned projects for the future, with a time horizon until 2030	5 projects in Italy, the Czech Republic and Germany for the production of electric energy from the recovery of waste heat of the kiln; other 11 projects related to electricity efficiency
Self-production of renewable electricity from photovoltaic, solar and wind power plants	Completed, ongoing and planned projects for the future, with a time horizon until 2029	12 projects in Italy, Germany, Poland and the United States. Self-production from renewable sources reduces the need to purchase electrical energy from the grid and thus reduces indirect Scope 2 emissions.

- Lever "Carbon Capture, Usage and Storage"

Key actions	Time horizon	Scope
Pilot project of a post-combustion capture system that combines the use of solid sorbents called Metal-Organic Frameworks (MOFs) with a Vacuum Pressure Swing Adsorption (VPSA) process. This system separates CO_2 from exhaust gases using pressure instead of heat, thereby reducing the energy requirements of the capture process.	Trial period completed in 2024	1 plant in Italy in collaboration with 1 start-up (Nuada) and 6 other sector producers
Participation in a semi-industrial demonstration project for a capture system integrated into the clinker production process, through a kiln operating in "oxyfuel" combustion	Under construction, expected to start in 2025	Collaboration of 4 cement producers for the project to be implemented in Germany
Installation of a capture plant in Germany (Deuna) that will be able to leverage the rail connection for the delivery of "Net-Zero" cement even to distant customers, while also ensuring logistics for the transportation of captured CO_2. The project aims to capture approximately 620k t CO_2 per year	At an advanced stage of study, with a financial commitment of approximately €350 million and expected to be operational in 2029	1 plant in Germany (Deuna)

These and other actions contribute to varying degrees to reducing CO_2 emissions to achieve the decarbonization target, as described in the next paragraph.

|| MDR-T || E1-4

Targets related to climate change mitigation and adaptation

The ultimate goal by 2050 is to achieve Net Zero. In addition, we have set ourselves a target to 2030 on net scope 1 CO_2 emissions: <500kgCO_2/t cementitious product. Based on the decarbonization levers presented in the previous chapters, the company has identified a series of solutions to reduce its direct and indirect emissions. In line with these reduction forecasts, the intermediate target has been established.

The value in 2024, equal to 557kgCO_2/t cementitious product, is in line with the provisions of our roadmap at constant scope, we therefore confirm the possibility of achieving the 2030 target. Within the next 2 years the target will be updated in line with the new version of the roadmap.

SPECIFIC NET SCOPE 1 CO_2 EMISSIONS

2021:	2024:	TARGET 2030:	TARGET 2050:
594 kg/t cementitious product	557 kg/t cementitious product	<500 kg/t cementitious product	NET ZERO

|| E1-5

Energy consumption and mix ♦

Production of cement requires significant use of thermal energy. To produce clinker, the main constituent of cement, the materials inside the kilns need to reach a temperature of approximately 1,450°C. Energy consumption is influenced by kiln technology and production continuity. In 2024 the kilns specific consumption was 4,157MJ/ton of clinker produced, down compared to the value recorded in 2023 (4,175MJ/ton of clinker).
Buzzi continues to pursue the greatest possible use of alternative fuels in place of fossil fuels. In particular, these are fuels deriving from waste materials, many of which have a significant content of biomass considered neutral for CO_2 emissions purposes.

The use of secondary fuels is recognized within the European Union as a BAT (Best Available Technique) for the cement industry and is one of the pillars of the circular economy. This generates three main advantages: it lowers fossil fuel consumption, reduces CO_2 emissions based on the content of biomass, and eliminates the need to dispose of the waste from which these fuels are derived. The thermal substitution varies according to the countries and local legislation: the average value of the group in 2024 is equal to 30.3%, increasing compared to the 2023 figure (29.2%).

In addition to thermal energy, cement production also requires electricity. More information on electricity consumption can be found in the tables below.

Energy consumption		2024
Energy consumption	MWh/000	27,100
Energy intensity associated with activities in high climate impact sectors	MWh/thousand €	6.3

♦ Accounting policies

The total energy consumption includes all thermal energy produced from fuels in the group's cement and concrete production plants, added to the electricity consumed by cement and concrete plants, aggregate extraction plants, distribution terminals and offices within the consolidated scope, subtracting the energy consumed from waste heat recovery (WHR) to avoid double counting.

Thermal energy was converted from TJ to MWh, as required by the ESRS E1 standard, based on the quantities of fuels used and their respective calorific values determined through laboratory tests following the applicable methodologies and standards.

The energy consumption reported in the table corresponds to the sum of energy consumption, both thermal and electrical, from fossil and renewable sources, detailed in the dedicated tables.

The main sectors with high climate impact considered are 23.51 (Manufacture of cement), 23.63 (Manufacture of ready-mixed concrete) and 08.12 (Operation of gravel and sand pits; Mining of clays and kaolin), as defined in Annex I of Regulation (EC) 1893/2006. Since all of the group's production activities fall within these sectors, energy intensity was calculated as total energy consumption in relation to the total revenue of the group, as reported in note 7 of the consolidated financial statement.

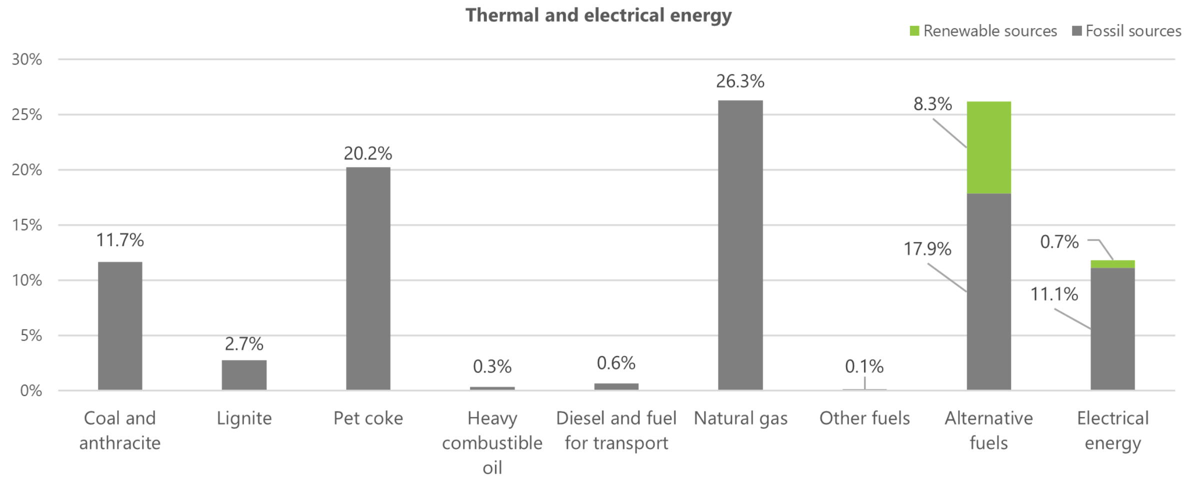
Data regarding the specific consumption of kilns and thermal substitution only includes energy generated by fuels used in the kiln for clinker production. Energy generated from alternative fuels, in both indicators, includes both the portion obtained from the fossil fraction and the biomass fraction. These indicators are considered entity-specific.

♦

Energy consumption from fossil sources		2024
Total fossil energy consumption	MWh/000	24,649
thereof from coal and coal products	MWh/000	3,902
thereof from crude oil and petroleum products	MWh/000	5,746
thereof from natural gas	MWh/000	7,126
thereof from other fossil sources	MWh/000	4,865
thereof purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh/000	3,009
Share of fossil sources in total energy consumption	%	91.0

Energy consumption from renewable sources		2024
Total renewable energy consumption	MWh/000	2,451
thereof fuels from renewable sources (including biomass, biofuels, biogas)	MWh/000	2,256
thereof purchased electricity, heat, steam, and cooling from renewable sources	MWh/000	181
thereof self-generated non-fuel renewable energy	MWh/000	13
Share of renewable sources in total energy consumption	%	9.0

The following graph shows the percentage breakdown of thermal and electrical energy consumed based on the source, with a greater level of detail.



♦ **Accounting policies**

Energy generated from fuel consumption is calculated as described for total consumption (see previous page).

The consumption of alternative fuels with a biomass fraction is divided between the fossil portion, classified under “fuels from other fossil sources”, and the biomass portion, accounted for under “fuels from renewable sources”.

Purchased renewable electricity includes only that obtained through instruments such as certificates and guarantees of origin.

In 2024, the first *Waste Heat Recovery* (WHR) system was installed in a group plant, which allows to produce energy directly from the heat dispersed by the kilns for the production of clinker, optimizing the energy consumption of the plant. The share of energy produced by the WHR plant is reused by the plant and represents a share of recovered energy. In 2024 the energy recovered through WHR was equal to 667MWh, which is then used as electricity in the plants.

Buzzi is also committed to increasing its share of renewable electricity, to reduce dependence on energy sources that generate CO_2 emissions. For this reason, the production of energy from photovoltaic systems is one of the key actions of the decarbonization strategy. Currently, there are plants in operation in the United States and in the Czech Republic which in 2024 produced 13,228MWh from solar energy.

♦

Self-production of energy		2024
Self-produced energy from fossil fuels	MWh/000	48.2
Self-produced energy from renewable sources	MWh/000	13.2
Energy recovered from WHR	MWh/000	0.7

♦ **Accounting policies**

The table "Self-production of Energy" includes contributions already reported in the previous tables. It accounts for, under self-generated energy from fossil sources, electricity generated from fossil fuels and, under self-generated energy from renewable sources, electricity generated by the group’s photovoltaic plants. Energy produced from WHR is not included, as it represents a process optimization rather than an activity with energy-related purposes.

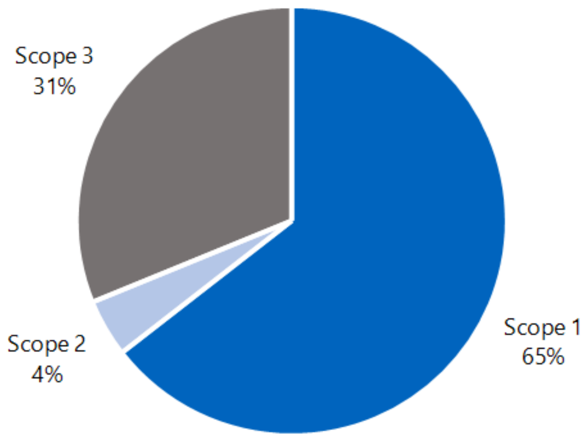
|| E1-6

Gross Scopes 1, 2, 3 and Total GHG emissions

♦

Total Green House Gasses emissions		2024
Total emissions Scope 1 + Scope $2_{location\text{-}based}$ + Scope 3	$tCO_2eq/000$	26,391
Total emissions Scope 1 + Scope $2_{market\text{-}based}$ + Scope 3	$tCO_2eq/000$	26,349
Total GHG emissions intensity (location-based)	tCO_2eq/thousand €	6.1
Total GHG emissions intensity (market-based)	tCO_2eq/thousand €	6.1

Scope 1, 2, 3 emissions distribution



As shown in the chart, Scope 1 emissions, which are associated with the company's own operations, account for the majority of greenhouse gas emissions in our supply chain. For this reason, the company's efforts are focused on reducing this fraction of emissions, as described in chapter E1-1, “Transition plan for climate change mitigation”.

Details on the calculations of Scope 1, 2 and 3 emissions are listed on the following pages.

Direct Scope 1 emissions		2024
Gross Scope 1 GHG emissions	$tCO_2eq/000$	17,015
Biogenic emissions of CO_2 from the combustion or bio-degradation of biomass	$tCO_2eq/000$	667
Scope 1 GHG emissions from regulated emission trading schemes	%	42

Indirect Scope 2 emissions are calculated using both the location-based method and the market-based method, as required by the ESRS E1 standard.

♦ Accounting policies

Emissions intensity is calculated as the sum of Scope 1, 2 and 3 emissions against group net revenue, as described in note 7 of consolidated financial statement.

The chart shows the distribution of Scope 1, 2, 3 emissions with Scope 2 location-based value.

♦

Indirect Scope 2 emissions		2024
Gross location-based Scope 2 GHG emissions	tCO_2eq/000	1,148
Gross market-based Scope 2 GHG emissions	tCO_2eq/000	1,106

The share and type of contractual instruments used for the purchase of renewable electricity are managed and defined locally by the individual companies belonging to the group.

♦ **Accounting policies**

Scope 1

Scope 1 emissions include all the group's consolidated activities: cement and concrete production, aggregate extraction and distribution, including the associated office consumption. For our activities, only CO_2 emissions have been considered relevant; emissions of other non- CO_2 greenhouse gases (such as CH_4 and N_2O) are considered negligible, in line with the guidelines provided by GCCA and the " CO_2 and Energy Accounting and Reporting Standard for the Cement Industry - Version 3.0 – May 2011". Additionally, Regulation (EU) 2018/2066 of the European Commission (which sets out guidelines for monitoring and disclosing greenhouse gas emissions in compliance with Directive 2003/87/EC of the European Parliament and Council) mandates that only CO_2 emissions from clinker production be reported.

The reported emissions are gross, meaning they include the CO_2 portion derived from the combustion of the fossil part of alternative fuels. Emissions from biomass are excluded, as they are considered neutral due to being offset by an equivalent absorption by the organic matrix over relatively short periods. The biomass emission portion is reported for informational purposes.

Scope 1 emissions covered by regulated quota trading systems include emissions subject to the EU ETS system in the group's European countries and the emissions under the Ukrainian ETS (included only for the period when Ukraine was within the consolidated scope). The percentage is calculated based on the total Scope 1 emissions of the group.

Scope 2

Scope 2 emissions take into account the total electricity consumption at each site, using the same perimeter applied in the calculation of Scope 1 emissions. For the calculation of Scope 2 emissions, each unit of electricity consumption was matched with an appropriate emission factor for the location or market. In the location-based approach, emissions were calculated from electricity consumption by applying the average emission factors derived from national databases of the individual countries. In the market-based approach, where contractual instruments were available, the specific emission factor of the supplier was considered to correctly represent the energy mix consumed at our sites. In the absence of contractual information, location-based factors were used. The emission factors applied in the calculation of Scope 2 emissions do not distinguish the percentage of CO_2 derived from biomass.

Scope 3 emissions represent indirect emissions from its value chain, upstream and downstream, over which the company has no direct control.
Following the reporting of Scope 3 divided into the categories identified by the *Greenhouse Gas Protocol*, the following table shows only the categories relevant to the Buzzi Group. The categories not reported were considered not relevant for the quantity of emissions.
♦

Indirect Scope 3 emissions		2024
Total gross Scope 3 emissions	$tCO_2eq/000$	8,228.5
Indirect Scope 3 emissions by category		
1. Purchased goods and services	$tCO_2eq/000$	871.2
2. Capital goods	$tCO_2eq/000$	190.9
3. Fuel and energy-related activities (not included in Scope1 or Scope 2)	$tCO_2eq/000$	1,306.4
4. Upstream transportation and distribution	$tCO_2eq/000$	1,467.9
5. Waste generated in operation	$tCO_2eq/000$	0.5
6. Business travel	$tCO_2eq/000$	10.0
7. Employee commuting	$tCO_2eq/000$	9.3
9. Downstream transportation	$tCO_2eq/000$	806.4
10. Processing of sold products	$tCO_2eq/000$	244.3
12. End-of-life treatment of sold products	$tCO_2eq/000$	55.2
15. Investments	$tCO_2eq/000$	3,266.5

The calculation methodologies, assumptions and emission factors used for the calculation of the different Scope 3 categories are described in the reporting specifications below.

♦ **Accounting policies**

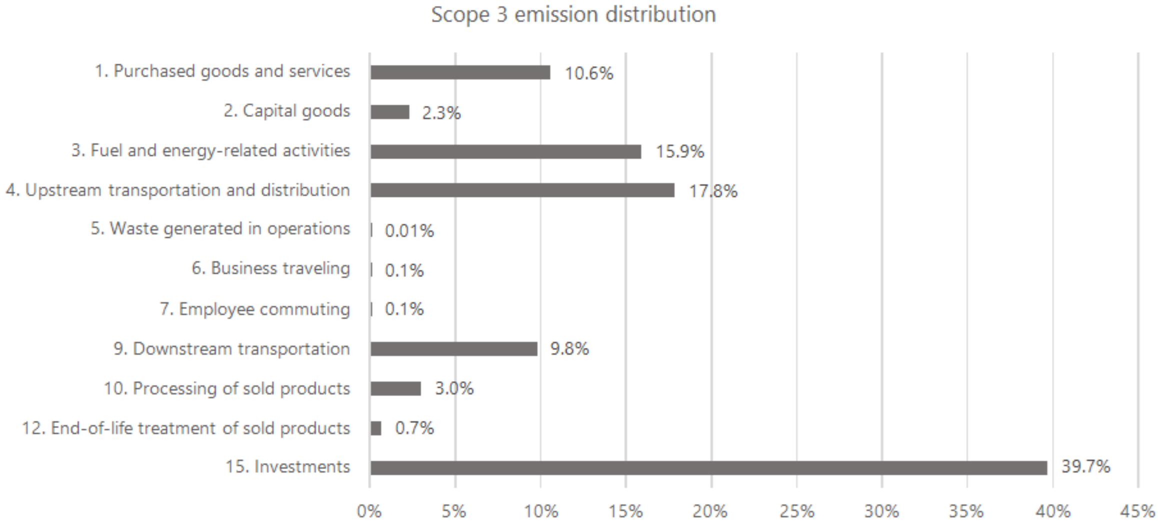
Scope 3

- Category 1: Emissions related to purchased goods are calculated based on the quantities of raw materials consumed, by input type, intended for the production of clinker, cement and concrete. Emission factors derived from the Ecoinvent database were applied to the quantities consumed. Some categories of materials used were not associated with any impact as they are considered “burden-free”, being waste and/or by-products of other production processes. Emissions related to purchased services were calculated based on the expenses (allocated as per the financial reporting) and applying the respective emission factors derived from the ADEME database. Some service items were excluded to avoid double counting between categories.
- Category 2: Emissions were estimated based on the data reported in the annual financial statements, specifically in the section on movements in tangible fixed assets, under the "increases" line item. This information is broken down into categories such as land and buildings, plants and machinery, industrial and commercial equipment, other assets, etc. These expenses were multiplied by the emission factor specific to each category from the ADEME database.
- Category 3: Emissions related to fuels are estimated based on the quantities of fuels consumed (both for production and other purposes, such as heating). These quantities were multiplied by the emission factors derived from Ecoinvent, which also include the impact of the average transport of the fuel. This category also estimates a portion (5%) of emissions due to transmission and distribution losses of electricity.

- Category 4: The quantification of emissions associated with upstream transportation and distribution was conducted at the site level, considering the quantities of incoming materials and outgoing products, multiplied by the distances traveled and divided according to the type of transportation, in ton*km. For each type of transportation, the corresponding emission factor derived from the DEFRA database was applied.
- Category 5: Emissions related to waste generated are not considered significant, but their contribution has still been estimated and included in the total Scope 3 emissions. The calculation was made based on primary waste data, divided according to their destination ("recovery" and "disposal"), considering only waste from the cement production process. The data was derived from primary data from various plants. The emission factors used were sourced from the DEFRA database and also include the impact related to the transportation of the waste.
- Category 6: Emissions from business traveling were estimated based on primary data for Italy, calculating emissions per capita and applying these values to employees in other countries within the group, considering only some categories based on the mode of travel. For air travel, an estimate of 20,000 km annually was assumed for certain positions within the organization. This category currently includes the GHG emissions also resulting from the use of company cars for business trips.
- Category 7: Emissions from employee commuting were accounted for by considering round-trip travel, starting from a preliminary assumption based on the Italian context. Assuming that employees at production sites generally live near the plants, an average of 20 km per day was considered, with an average commuting distance of 220 days per year. The average distance was multiplied by the number of days per year and the total number of employees, and then the average emission factor for cars derived from the DEFRA database was applied.
- Category 8: Not relevant, as indicated in the Cement Sector - Scope 3 Guidance (pg. 41, 4.10 Non-relevant Scope 3 categories).
- Category 9: Emissions from downstream transportation were estimated based on the quantities of products leaving the site where the transportation is not managed by the group. These quantities were multiplied by an average distance traveled. Considering road transport as the main mode, an emission factor derived from the DEFRA database was applied.
- Category 10: Emissions related to the final processing of sold products were calculated considering:
    - the quantities of clinker sold as it is and the consumption for processing them into cement, using site-specific consumption values from the Italian plants;
    - the cement sold as it is (excluding bagged cement and sales to group companies), including cement derived from clinker sold as it is, is accounted for as processed to produce concrete, assuming that 100% of the cement sold is used in concrete production.

  Finally, the emission factor related to the production of concrete and its transportation in a ready-mix truck to the construction site was applied to this quantity.
- Category 11: Not relevant, as indicated in the Cement Sector - Scope 3 Guidance (pg. 41, 4.10 Non-relevant Scope 3 categories).

The graph shows the distribution, in percentage, of Scope 3 emissions of the various categories found to be relevant.



Part of the Category 15 (Investments) emissions are calculated from data obtained from partners along the value chain, as described in the accounting policies.

Biogenic CO_2 emissions resulting from biomass combustion or biodegradation occurring in the upstream and downstream value chain are considered not material.

- Category 12: Based on the quantities of clinker, cement and concrete sold, the impact related to an end-of-life scenario has been calculated, considering that 44% of the waste is sent for recycling and 56% to landfill. The recycling-to-landfill ratio is specific to the group. The emission factors are derived from the DEFRA database and also include the impact related to transportation.
- Category 13: Not relevant, as indicated in the Cement Sector- Scope 3 Guidance (pg. 41, 4.10 Non-relevant Scope 3 categories)
- Category 14: Not relevant for our company and as indicated in the Cement Sector- Scope 3 Guidance (pg. 41, 4.10 Non-relevant Scope 3 categories)
- Category 15: The major associated companies producing cement and expanded clay have been considered. A share (approximately 80%) of the emissions in this category was calculated using Scope 1 and 2 emissions data obtained directly from partners; the remaining portion was estimated using values reported in the European emissions registry, data from the GCCA's GNR database, or by applying group-specific emission factors. The share of emissions included in Scope 3 is proportional to Buzzi SpA's ownership share.

Cement business emissions

With reference to the objective of the decarbonization roadmap described in chapter E1-1, specific CO_2 emissions have been calculated of the cement business alone. Absolute Scope 1 emissions and specific Scope 1 emissions with respect to the production of cementitious product are reported.
♦

Cement business		2024
Gross Scope 1 GHG emissions	$tCO_2eq/000$	16,982
Net Scope 1 GHG emissions	$tCO_2eq/000$	15,484
Specific gross Scope 1 GHG emissions	$kg/t_{cementitious\ product}$	650
Specific net Scope 1 GHG emissions	$kg/t_{cementitious\ product}$	593

Net emissions represent CO_2 emissions that come from fossil fuels only, therefore they exclude emissions derived from the fossil part of alternative fuels.

All emissions do not take into account emissions from the combustion of biomass, considered neutral because they are offset by an equivalent absorption by the organic matrix in a relatively short time.

AREA907,
Trino plant, Italy

♦ Accounting policies

Emissions related to cement business are entity-specific figures, reported as relevant disaggregation of reported figures according to ESRS E1. These indexes include only direct Scope 1 emissions associated with cement production.

TAXONOMY

Taxonomy is a European regulation that entered into force on 12 July 2020, with the objective of guiding financial investments towards environmentally sustainable economic activities. To do this, Taxonomy requires that financial companies disclose to what extent the activities in their portfolios are environmentally sustainable and non-financial companies provide information regarding six environmental objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

The non-financial companies involved are those required to publish the non-financial statement pursuant to Directive 2014/95/EU, pertaining to economic activities defined as "eligible" by the Regulation, which includes cement production. Taxonomy identifies four conditions that an economic activity must meet to be defined as environmentally sustainable:

- contribute substantially to the achievement of one or more of the six environmental objectives;
- do not cause significant harm to any of the other environmental objectives;
- meet the minimum criteria of social protection;
- comply with the technical screening criteria established by the European Commission.

In June 2021, the delegated act (EU) 2021/2139, covering the first two objectives, climate change mitigation and adaptation, was adopted. In 2023, with the delegated act (EU) 2023/2486, the Commission established the criteria for the remaining four objectives and revised data publication models. In line with the current requirements and templates presented in the above-mentioned delegated acts, we report in the following tables data on net sales, capital expenditures and operating expenses which are eligible and aligned with the overall activity. The following diagrams summarize the overall percentages of alignment and eligibility of the company, along with a description of how the reported values are determined.

Eligibility and alignment assessment

According to the delegated acts mentioned above, only cement production (CCM 3.7) among Buzzi's activities is eligible concerning the objectives of climate change mitigation and adaptation. Concrete and aggregates production, another operational sector of the group, currently does not fall within the activities deemed eligible under the regulation.

There are also other taxonomy-eligible economic activities within Buzzi's business lines, for example "Installation, maintenance and repair of renewable energy technologies", which are not, however, indicated separately but included in the economic activity production of cement.

To avoid double counting, the alignment of the cement production business was evaluated only for the objective of climate change mitigation, which is the most relevant for our sector.

To this end, specific guidelines have been developed and circulated to all the countries of the group. In particular, with regard to net sales, the alignment analysis with the technical screening criteria was conducted at the individual product sold by each plant. Transfers within the group scope were considered in the calculation only once to avoid double counting and sales to group companies were not included to ensure consistency with consolidated net sales.

For the assessment of aligned Capex and Opex, the analysis was set up for each plant based on the respective share of net sales alignment for the year and the forecast of alignment of the plant with the technical screening criteria to 2030 according to the "Our Journey to Net Zero" roadmap. For this reason, for the purposes of this assessment, the roadmap was considered to coincide with the Capex plan provided for by the taxonomy EU regulation.

Do Not Significant Harm (DNSH)

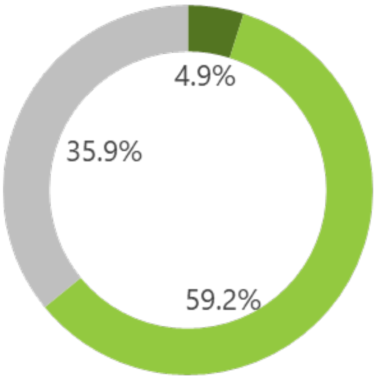
One of the criteria for considering an activity aligned with the taxonomy is not causing significant harm to any of the other environmental objectives. Therefore, it has been verified for each plant that the production of aligned products meets this criterion, by verifying the requirements listed for each of the objectives in the respective appendices A – E of the aforementioned delegated acts.

- *Adaptation to climate change and protection of water and marine resources*: in 2022, an analysis was conducted to assess our resilience to climate and water risks, considering different scenarios and time horizons, as described in the chapter "Climate Change", SBM-3, IRO-1 and "Water and Marine Resources". The results of the analysis were shared with management and integrated into Enterprise Risk Management, adopting appropriate mitigation measures where necessary.
- *Pollution prevention and control*: every year, a screening is carried out to verify compliance with the emission limits defined by the Best Available Techniques Associated Emissions Levels (BAT-AEL) for each plant in the group. Additionally, the company has concluded that the criteria required in appendix C are met for the cement production activity. For more details on the management of this issue, reference is made to the chapter "Pollution".
- *Transition to a circular economy*: no specific requirements are described regarding the activity "Cement Production"; however, various actions are implemented by the company to avoid causing significant harm concerning this objective. More details are provided in the chapter "Circular Economy".
- *Protection and restoration of biodiversity and ecosystems*: in line with the prescriptions of the competent authorities, we assess the impacts of our extractive activities considering the proximity of our sites to protected areas and, if necessary, design mitigation and compensation measures for biodiversity. More details are provided in the chapter "Biodiversity and Ecosystems".

Minimum safeguard criteria

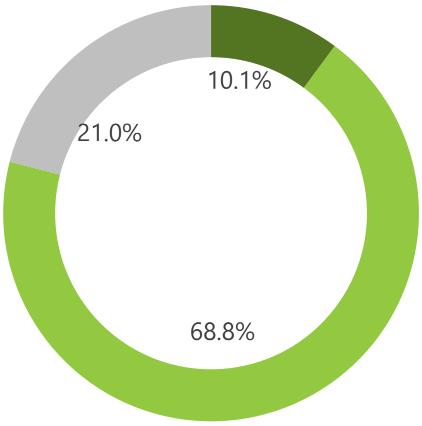
For the entire company, the social safeguard criteria related to the respect of human rights and business conduct concerning anti-corruption, fair competition and taxation have been verified based on the minimum standards established by the OECD and the UN. To this end, in 2023, Buzzi conducted an analysis of its human rights practices to verify the company's maturity level. The analysis was conducted based on the Corporate Human Rights Benchmark (CHRB), which provides an assessment of the human rights management model across five measurement areas. The investigation revealed that Buzzi already has several procedures, practices and activities in place for the protection of human rights. For more information on the company's policies and information on incidents and complaints regarding Human Rights, see the chapters "Own Workforce" and "Workers in the Value Chain". For more information on the company's conduct regarding anti-corruption and fair competition, see the chapter "Business Conduct".

NET SALES



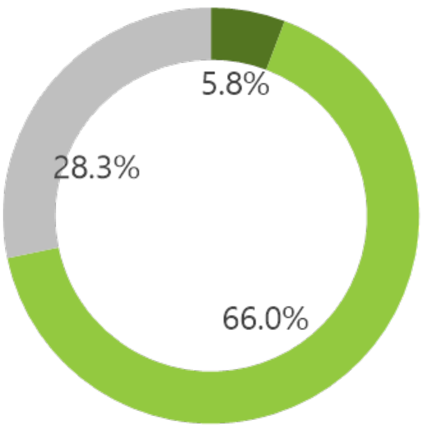
The group's net sales eligible for the taxonomy correspond to the net revenues from external customers derived from the sale of cement. The eligible net sales have been compared with the consolidated net revenues (note 7, consolidated financial statement), which also include non-eligible activities such as the transportation and sale of ready-mix concrete and natural aggregates.
The aligned net sales concerning the mitigation or adaptation objectives is the portion of the net sales related to the production of eligible products that have generated emissions equal to or lower than the thresholds set by the taxonomy, namely 0.722 t CO_2 per ton of clinker or 0.469 t CO_2 per ton of cement.

CAPITAL EXPENDITURES



Capital expenditures for property, plant and equipment and the increase in right-of-use assets related to cement production are considered eligible according to the taxonomy. The total consolidated capital expenditures and the increase in right-of-use assets also include capital expenditures in activities other than cement (consolidated financial statement, consolidated cash flow statement). The capital expenditures aligned with the taxonomy are the portion of eligible capital expenditures associated with the production of aligned products. Additionally, eligible capital expenditures that fall within the scope of the "Our Journey to Net Zero" roadmap are considered aligned, provided that these projects make the economic activities aligned with the taxonomy by 2030. Eligible capital expenditures related to the purchase of goods resulting from an aligned economic activity are also considered aligned.

OPERATING EXPENSES



The operating expenses eligible for the taxonomy concern the costs for consumables, maintenance and repair and research and development related to cement production. The total consolidated operating expenses, including costs related to non-eligible activities, are presented for consumables as well as maintenance and repair services, respectively, in notes 9 and 10 of the consolidated financial statement. Additionally, the group's total research and development expenditure, amounting to €32.5 million, is considered. The portion of operating expenses related to the maintenance of property, plant and equipment functional to the production of aligned products is considered aligned with the taxonomy. Furthermore, eligible costs related to projects within the scope of the "Our Journey to Net Zero" roadmap are considered aligned, provided that these projects are functional to making the economic activities aligned with the taxonomy by 2030. Eligible operating expenses related to the purchase of goods produced by an aligned economic activity are also considered aligned.

ALIGNED ELIGIBLE NOT ALIGNED NOT ELIGIBLE

Financial year 2024				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code[a]	Net sales	Proportion of net sales 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) Net sale 2023	Category enabling activity	Category transitional activity
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
		€ m	%	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Production of cement	CCM 3.7	210	4.9%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	4.3%		T
Net sales of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**210**	**4.9%**	**4.9%**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**4.3%**		
Of which enabling		0	0,0%	0,0	0,0	0,0	0,0	0,0	0,0								0.0	E	
Of which transitional		210	4.9%	4.9%						Yes	Yes	Yes	Yes	Yes	Yes	Yes	4.3%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		€ m	%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL								%		
Production of cement	CCM 3.7	2,554	59.2%	EL	EL	N/EL	N/EL	N/EL	N/EL								58.8%		
Net sales of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2,554**	**59.2%**	**59.2%**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**								**58.8%**		
A. Net sales of Taxonomy-eligible activities (A.1+A.2)		**2,764**	**64.1%**	**64.1%**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**								**63.1%**		

B. Taxonomy-non-eligible activities

	€ m	%
Net sales of Taxonomy-non-eligible activities (B)	**1,549**	**35.9%**
Total	**4,313**	**100.0%**

(a) The code contains the abbreviation of the objective to which the economic activity can make a substantial contribution, and the section number of the activity in the corresponding annex of the objective, namely:
- Climate change mitigation: CCM
- Climate change adaptation: CCA
- Water and marine resources: WTR
- Circular economy: CE
- Pollution Prevention and Control: PPC
- biodiversity and ecosystems: BIO

(b) Yes – The activity is eligible and aligned with the taxonomy regarding the relevant environmental objective
No – The activity is eligible but not aligned with the taxonomy regarding the relevant environmental objective
EL – Activity eligible for the taxonomy for the relevant objective
N/EL – Not eligible; the activity is not eligible for the taxonomy for the relevant objective

	Proportion of net sales/Total net sales	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	4.9%	64.1%
Climate change adaptation (CCA)	0.0%	0.0%
Water (WTR)	0.0%	0.0%
Pollution (CE)	0.0%	0.0%
Circular economy (PPC)	0.0%	0.0%
Biodiversity (BIO)	0.0%	0.0%

Financial year 2024				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	**Code[a]**	**CapEx**	**Proportion of Capex 2024**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CapEx 2023**	**Category enabling activity**	**Category transitional activity**
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
		€ m	%	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Production of cement	CCM 3.7	48	10.1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	9.4%		T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**48**	**10.1%**	**10.1%**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**9.4%**		
Of which enabling		0	0,0%	0,0	0,0	0,0	0,0	0,0	0,0								0.0	E	
Of which transitional		48	10.1%	10.1%						Y	Y	Y	Y	Y	Y	Y	9.4%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		€ m	%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL								%		
Production of cement	CCM 3.7	324	68.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								64.5%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**324**	**68.8%**	**68.8%**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**64.5%**		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**372**	**79.0%**	**79.0%**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**73.9%**		
B. Taxonomy-non-eligible activities																			
		€ m	%																
CapEx of Taxonomy-non-eligible activities (B)		**99**	**21.0%**																
Total		**471**	**100.0%**																

(a) The code contains the abbreviation of the objective to which the economic activity can make a substantial contribution, and the section number of the activity in the corresponding annex of the objective, namely:
- Climate change mitigation: CCM
- Climate change adaptation: CCA
- Water and marine resources: WTR
- Circular economy: CE
- Pollution Prevention and Control: PPC
- biodiversity and ecosystems: BIO

(b) Yes – The activity is eligible and aligned with the taxonomy regarding the relevant environmental objective
No – The activity is eligible but not aligned with the taxonomy regarding the relevant environmental objective
EL – Activity eligible for the taxonomy for the relevant objective
N/EL – Not eligible; the activity is not eligible for the taxonomy for the relevant objective

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	10.1%	79.0%
Climate change adaptation (CCA)	0.0%	0.0%
Water (WTR)	0.0%	0.0%
Pollution (CE)	0.0%	0.0%
Circular economy (PPC)	0.0%	0.0%
Biodiversity (BIO)	0.0%	0.0%

Financial year 2024				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	**Code[(a)]**	**OpEx**	**Proportion of OpEx 2024**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx 2023 (c)**	**Category enabling activity**	**Category transitional activity**
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
		€ m	%	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y; N; N/EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Production of cement	CCM 3.7	25	5.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.0%		T
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**25**	**5.8%**	**5.8%**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**6.0%**		
Of which enabling		0	0.0%	0.0	0.0	0.0	0.0	0.0	0.0								0.0	E	
Of which transitional		25	5.8%	5.8%						Y	Y	Y	Y	Y	Y	Y	6.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		€ m	%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL								%		
Production of cement	CCM 3.7	292	66.0%	EL	EL	N/EL	N/EL	N/EL	N/EL								63.2%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**292**	**66.0%**	**66.0%**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**63.2%**		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		**317**	**71.7%**	**71.7%**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**69.3%**		

B. Taxonomy-non-eligible activities

	€ m	%
OpEx of Taxonomy-non-eligible activitie (B)	**125**	**28.3%**
Total	**442**	**100.0%**

(a) The code contains the abbreviation of the objective to which the economic activity can make a substantial contribution, and the section number of the activity in the corresponding annex of the objective, namely:
- Climate change mitigation: CCM
- Climate change adaptation: CCA
- Water and marine resources: WTR
- Circular economy: CE
- Pollution Prevention and Control: PPC
- biodiversity and ecosystems: BIO

(b) Yes – The activity is eligible and aligned with the taxonomy regarding the relevant environmental objective
No – The activity is eligible but not aligned with the taxonomy regarding the relevant environmental objective
EL – Activity eligible for the taxonomy for the relevant objective
N/EL – Not eligible; the activity is not eligible for the taxonomy for the relevant objective.

(c) The OpEx KPIs of eligibility and alignment have been recalculated for 2023, in line with the 2024 methodology, to include a portion of consumables expenses for cement production previously excluded.

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	5.8%	71.7%
Climate change adaptation (CCA)	0.0%	0.0%
Water (WTR)	0.0%	0.0%
Pollution (CE)	0.0%	0.0%
Circular economy (PPC)	0.0%	0.0%
Biodiversity (BIO)	0.0%	0.0%

POLLUTION

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Negative impacts	• Emissions of SO_2, NOx and micropollutants in the atmosphere • Emissions of dust in the atmosphere

|| IRO-1

Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

Our approach to determining relevant impacts, risks and opportunities is described in the section General Information, IRO-1. For the topic "Pollution", we have identified two significant negative impacts at the level of our activities concerning atmospheric emissions.

The interests and opinions of stakeholders have been taken into account as described in the sections General Information, IRO-1 and SBM-2.

|| E2-1

Policies related to pollution

As described in the Code of Conduct, Buzzi, although not having a specific policy related to pollution, is committed to conducting its activities in full compliance with laws and regulations aimed at environmental protection and the sustainable use of natural resources. During 2024, the company carried out a mapping of monitored pollutants, methodologies and monitoring frequencies in use in all the countries where it operates and collects useful elements for drafting a group guideline to establish minimum harmonized conditions for pollutant monitoring and ensuring better quality of atmospheric emissions reporting.

In the future, the introduction of a specific policy on emission reduction will be evaluated, possibly referring to the European BAT AEL.

|| E2-2

Actions and resources related to pollution

Each country undertakes specific actions for pollution management based on its needs and characteristics.

Below are some key actions implemented in different areas of the group:

Key actions	Time horizon	Scope
Installation or modernization of diffuse dust control systems	Ongoing/completed	Production plants in Italy and Germany
Installation, modernization and maintenance of process dust control systems	Ongoing/completed	Different cement production plants in all the group
Improving NOx and mercury abatement systems	Ongoing	Cement production plants in Italy and Germany
Installation of continuous monitoring system of mercury	Completed	Cement production plant in Poland

|| E2-3

Targets related to pollution

The company has currently not established objectives regarding pollution related to relevant impacts, risks and opportunities. However, in defining its strategies, Buzzi always evaluates environmental issues, favoring the use of processes, technologies and materials that limit negative impacts, including pollutant emissions.

|| E2-4

Air pollution

The cement production process involves the emission of dust and air pollutants. Emissions are monitored differently based on the type of pollutant and local legislative requirements.
Data on pollutants emitted into the atmosphere are managed locally and collected centrally at the group level through an internal database or specific data collections.

In 2024, an analysis of the procedures for monitoring emissions used in the various countries in which the group operates was carried out, with the aim of establishing harmonized methodologies for monitoring and reporting air emissions, to be applied from 2025.

Buzzi adopts continuous emission monitoring systems (EMS) to measure the main pollutants, including dust, nitrogen oxides (NOx), sulphur dioxide (SO_2) and mercury (Hg). The use of EMS enables a precise monitoring of emissions by line managers who can at any moment view the data and promptly intervene in the process. Moreover, this represents a guarantee for supervisory bodies and other stakeholders interested in having reliable and traceable data.
With regard to the 2024 clinker production, the coverage of continuous monitoring is as follows: dust at 66%, NOx at 95%, SO_2 at 88% and Hg at 53%. The other pollutants are monitored with different frequency in a discontinuous way, according to the requirements of local legislation.

The following communication refers to the pollutants listed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council (with the exception of greenhouse gases, already covered in the chapter “Climate Change”) and includes only the consolidated quantities of complexes that exceed the values indicated in Annex II of the Regulation. Since not all pollutants are relevant for the cement sector, we have launched an analysis to identify those required by the various European countries in the context of the European Pollutant Release and Transfer Register (E-PRTR – Regulation (EC) 166/2006). This investigation led us to define a minimum set of pollutants common to all European countries and which could be extended to the non-European countries of the group as part of the reporting.

The numbers communicated are based on different measurement methods or estimations methodologies, as provided for by Regulation (EC) 166/2006. Depending on the technologies available in each plant, emissions were assessed:

- with continuous monitoring, using the average of the hourly or semi-hourly concentrations measured;
- with discontinuous monitoring, using the average of the concentrations measured during the year or the most recent measurement available;
- through estimates, where not required by regulations, by applying emission factors with respect to production and the type of plant.

More details on the methods used can be found in the Accounting policies.

♦

Atmospheric emissions (consolidated according to ESRS E2)		2024
Particulate matter (PM_{10})	t	509
Nitrogen oxides (as NO_2)	t	23,632
Sulphur oxide (as SO_2)	t	3,021
Carbon monoxide (CO)	t	23,625
Ammonia (NH_3)	t	646
Chlorine and inorganic compounds (as HCl)	t	11
Fluorine and inorganic compounds (as HF)	t	0
Polychlorinated biphenyls (PCBs)	mg	0
PCDD + PCDF (dioxins + furans)	mg	301
Arsenic and compounds (as As)	kg	63
Cadmium and compounds (as Cd)	kg	11
Chromium and compounds (as Cr)	kg	2,250
Copper and compounds (as Cu)	kg	15,913
Mercury and compounds (as Hg)	kg	430
Nickel and compounds (as Ni)	kg	633
Lead and compounds (as Pb)	kg	0

♦ Accounting policies

The disclosure on pollutants consolidates, as required by ESRS E2, the annual quantities emitted by the group's cement production plants, evaluated based on the reporting criteria established by the E-PRTR regulation. The annual quantities consider the total emissions of the plant, regardless of the number of emission points provided by environmental permits.

The reported numbers are derived from continuous measurements, periodic sampling or locally made estimates. In the latter case, emission factors may be estimated from past measurements or come from specific databases, such as the US EPA AP-42 in the United States.

In the absence of this information, pollutant emissions have been estimated by identifying, for each pollutant, an emission factor calculated as the 75th percentile of the specific emissions of other group plants. This factor was multiplied by the plant's clinker production and the resulting quantity was compared with the threshold set by the E-PRTR regulation. In the case of PM10 emissions, where no local data was provided, these were estimated as a percentage of total dust emissions, measured continuously or discontinuously.

The possibility of estimating pollutant emissions is provided for by the ESRS E2 standard. Emission values estimated locally or based on the group average have a higher level of uncertainty compared to continuous or discontinuous measurements.

Noise

This section shows entity-specific metrics regarding noise monitoring.

The environment and safety management systems implemented by Buzzi require periodic monitoring of noise emissions from its plants as perceived from the outside. This activity enables the identification of any criticalities and the start of the respective targeted investments, with particular regard to cement plants situated near or within built-up areas.
♦

Noise		2024
Monitoring coverage for noise	%	58

In 2024, the number of full-cycle cement plants in which a noise emission monitoring has been performed increased at group level (18 out of 31 plants) and was equal to 100% of sites in Italy, the Czech Republic, Russia and Brazil.
As a result of the monitoring activities, improvements were carried out (such as, for example, the purchase of more modern and silenced machinery and the installation of sound-absorbing panels and silencers) for a value of over €1 million. The use of the systems described above and the use of suitable Personal Protective Equipment (PPE) also makes it possible to reduce the exposure of personnel to noise emissions both internally and externally on site.

♦ Accounting policies

The noise monitoring coverage considers the full-cycle cement plants where at least one noise monitoring activity was carried out in the reference year.

WATER AND MARINE RESOURCES

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Negative impacts	• Water withdrawals in water stressed areas

|| IRO-1

Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

Our approach to determining relevant impacts, risks and opportunities is described in the section General Information, IRO-1. For the topic "Water and Marine Resources", we have identified a significant negative impact at the level of our activities.

The interests and opinions of stakeholders have been taken into account as described in the chapter General Information, SBM-2. Additionally, in identifying impacts, the location of our plants was also evaluated to identify areas at higher risk of water stress.

|| E3-1

Policies related to water and marine resources

Buzzi does not have a specific policy related to water resources. The group adheres to the principles detailed in the Code of Conduct, including environmental respect, committing to conduct its activities in full compliance with laws and regulations aimed at environmental protection and the sustainable use of natural resources. The possibility of introducing a specific policy will be evaluated in the future.

More information on the Code of Conduct, responsibilities, dissemination methods and related training activities are presented in paragraph G1-1, "Business conduct policies and corporate culture".

|| E3-2

Actions and resources related to water and marine resources

Each country takes specific actions for the management of water resources, according to one's needs and characteristics.

The following are some key actions implemented in different areas of the group:

Key actions	Time horizon	Scope
Installation of stormwater collection and treatment systems and machinery to recover process water	Completed	Cement plants in Italy and Brazil, including plants in highly water-stressed areas
Installation of water monitoring systems to measure water withdrawal and consumptions	Completed	Concrete plants in the Czech Republic
Renewal or introduction of water transport and pumping systems	Ongoing/Completed	Cement and concrete plants of the group
Dredging of stormwater retention basins to increase water availability for the process	2030	Cement plants in the Czech Republic

All the listed actions have the overall objective of reducing water withdrawal, improving water efficiency and increasing the amount of water recovered in the production process.

|| E3-3

Targets related to water and marine resources

Currently, the company has not established objectives regarding water resources related to relevant impacts, risks and opportunities. However, due to the expected increase in areas exposed to water stress, Buzzi monitors its consumption and adopts systems for water collection, treatment and recirculation, as described in the Actions table in the previous section.

|| E3-4

Water consumption

Water is a key resource for all our production activities. Water consumption in the cement technology cycle is mainly due to the conditioning of hot gases from the kilns, the reduction of the temperature during cement grinding, the cooling of the engine parts and the abatement of diffuse dust in the plants. Consumption increases in the case of production plants with wet and semi-wet processes.
Water is an indispensable ingredient for concrete production, used for washing aggregates, cleaning vehicles, and as a raw material necessary for production.

The use of rainwater and recycled water for cleaning and for the production process is becoming increasingly important: part of the water evaporates during use and is released into the atmosphere, however, the water used for certain processes (e.g., vehicle washing) is recycled with increasing efficiency.
The quantities of water withdrawn and/or discharged are authorized according to specific permits of each plant.

Data relating to water management are monitored according to specific guidelines provided by the parent company to all its subsidiaries. Specifically, Buzzi developed in 2023 a guideline for monitoring water consumption in concrete production plants, while a guideline for monitoring water consumption in cement plants had already been in force since 2021.

Wind turbines near Dachsberg quarry, Göllheim plant, Germany
(photo Mertens / Dyckerhoff)

♦

Water consumption		2024
Water withdrawal	m^3/000	24,952
thereof rainwater recovered	m^3/000	*1,620*
Water discharge	m^3/000	13,361
Total water consumption	m^3/000	11,591
thereof in water-stressed areas	m^3/000	*4,358*
Water consumption intensity	m^3/thousand €	2.7

Water stress refers to the capacity, or otherwise, to satisfy human and ecological demand for water and is measured as a ratio between total water withdrawals and available water resources from surface and underground sources in a specific area.
Considering all the activities of the group, water consumption in areas with a high or very high risk of water stress corresponds to 38% of the total consumption.

♦ **Accounting policies**

Water withdrawal is defined as the amount of water removed from a system and temporarily or permanently unavailable for other uses. It includes only water intended for industrial purposes, including recovered rainwater. Recovered rainwater is water withdrawn and reused for industrial use from storage tanks where rainwater is collected. Currently, it includes only water collected at cement production plants.

Water discharge is the amount of water used for industrial purposes that is released into the environment with quantitative and qualitative parameters defined by local regulations (with discharge authorization).

The quantities reported as withdrawn and discharged water are collected for each plant at the local level according to group guidelines that define the need to preferably use data derived from measurement and, only in the absence of these, resort to an estimate of the data.

Water consumption is calculated as the difference between water withdrawal and water discharge.

Water intensity is calculated as the ratio between consumed water and the company's total net revenues, in accordance with ESRS E3-4.

Plants in water-stressed areas have been determined by considering the cement production plants (including grinding centers), concrete batching plants and aggregate quarries of the entire group. The Aqueduct Tool (WRI) was used for the assessment. Areas of water stress were considered those where the ratio between demand and water availability was high (40-80%) or very high (>80%).

Cement business

♦

Water consumption in cement production		2024
Water withdrawal	m^3/000	18,632
Water discharge	m^3/000	11,110
Total water consumption	m^3/000	7,522
thereof in water-stressed areas	m^3/000	2,199
Water consumption intensity	m^3/thousand €	2.5
Specific water consumption	$l/t_{\text{cementitious product}}$	288

In the context of cement production, some of the production sites located in Italy, Germany, Russia and the United States are located in water-stressed areas. These sites are responsible for the 29% water consumption for cement production.

The specific water consumption compared to the production of cementitious product is in line with the previous year's value (281 $l/t_{\text{cementitious product}}$).

♦ Accounting policies

Water consumption in cement production is given as additional information (entity-specific). Figures involve all cement plants of the group, including grinding plants.

Water consumption intensity in cement production is calculated as ratio between water consumed in cement plants and net revenue from cement sales, described in note 7 of the consolidated financial statement.

The specific water consumption is calculated compared to cementitious product, defined as: total clinker produced as well as gypsum and any materials mixed with clinker to produce cement and/or binders (e.g. limestone, slag, fly ashes, pozzolans, production process dust). The cementitious product includes any quantities of mineral components (slag, fly ashes and pozzolans) that are processed and sold separately as cement substitutes. Clinker purchased from third parties and used for the production of cements and/or binders is not included.

BIODIVERSITY AND ECOSYSTEMS

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Negative impacts	• Land-use change with decreasing of biodiversity and worsening of ecosystems (land degradation, desertification or soil sealing)

|| IRO-1 || SBM-3

Description of the processes for identifying and assessing material biodiversity and ecosystem-related impacts, risks and opportunities and their interaction with the strategy and business model

Our approach to determining material impacts, risks and opportunities is described in the section General Information, IRO-1, together with stakeholder engagement processes, including local communities, to take into account their views. Specifically, we have evaluated biodiversity-related impacts, risks and opportunities associated with our manufacturing and mining activities for the production of cement and concrete. Although situations differ from site to site, we believe that similar impacts may also occur at our raw material suppliers.

Our businesses depend on the availability of raw materials such as limestone, clay and aggregates. The activities needed for their extraction have a direct and indirect impact on biodiversity. For the topic "Biodiversity and ecosystems", we have identified a potential negative impact in relation to land-use change in typical extraction sites such as quarries and mines. More information on the location and characteristics of the sites considered can be found in the paragraph E4-5, "Impact metrics related to biodiversity and ecosystems change".

|| E4-1

Transition plan and consideration of biodiversity and ecosystems in strategy and business model

The evaluation described in detail in chapter IRO-1, did not highlight physical, transitional and systemic risks related to biodiversity and ecosystems. As a result, the company has not currently prepared formalized plans for this issue.

However, the evident interest of stakeholders in this issue leads us to continue and strengthen the resilience of our production strategies by taking targeted actions, as illustrated below, to avoid the occurrence of significant risks.

|| E4-2

Policies related to biodiversity and ecosystems

In conducting its activities, the group adopts the principles detailed in the Code of Conduct, including respect for the environment, committing to full compliance with laws and regulations aimed at environmental protection and the sustainable use of natural resources. More information on the Code of Conduct, responsibilities, methods of dissemination and training activities related to it are presented in paragraph G1-1, "Business conduct policies and corporate culture".

In addition, in the next 2 years it is expected the introduction of a specific policy on *Biodiversity and ecosystems*, not present today, supported by internal guidelines and documents for the implementation of common protocols across the group. To this end, we are collaborating with several universities, as described in the next paragraph.

|| E4-3

Actions and resources related to biodiversity and ecosystems

Every country takes specific actions for the management of quarries and their impacts on *Biodiversity and ecosystems*, according to specific needs and characteristics.

In the cultivation of quarries, the company adopts the hierarchy of mitigation, which gives priority, where possible, to prevention of any impacts on biodiversity. If the impacts cannot be completely avoided, in consultation with local authorities, mitigation, recovery and compensation measures are taken to conserve ecosystems, minimizing the negative effects on them.

The following are some key actions implemented in different areas of the group:

Key actions	Time horizon	Scope
Monitoring of local wildlife	Continuous	Cement and aggregates quarries of the group
Restoration and improvement of mining areas through planting and/or reintroduction of native species	Continuous	Cement and aggregates quarries of the group
Compensation measures	Continuous activities with targeted actions	Cement quarries, where requested by laws and authorities
Collaboration with local communities and association to preserve endangered tree species	Ongoing	1 plant in the United States

In addition, to deepen our knowledge of the state of biodiversity in the sites where we operate, the impacts that fall on them and how to mitigate them, we have launched various collaborations with universities and experts in different countries. Of particular relevance is the project started in November 2023 with the University of Eastern Piedmont (UPO). The three-year project arises several objectives:

- measuring biodiversity in a model sample of cement quarries;
- developing a monitoring protocol using animal bioindicators (i.e. organisms that undergo measurable variations in their natural state in the presence of pollutants or disorders of various kinds) that can be applied on a large scale;
- analyzing the possible impacts of mining activities on the wildlife component, to establish actions that can mitigate their negative effects.

In addition to this, a collaboration is also underway in Germany with the University of Applied Sciences Bingen to test methodologies suitable for monitoring biodiversity in the quarries of the group.

|| E4-4

Targets related to biodiversity and ecosystems

Regardless of regulatory obligations, our commitment is to continue protecting and preserving the ecosystems within the sites where we operate and in adjacent areas.

The company has not yet set specific targets regarding biodiversity and ecosystems. However, once the key indicators and methodologies for their monitoring have been identified, the possibility of their adoption will be evaluated.

|| E4-5

Impact metrics related to biodiversity and ecosystems change♦

Buzzi operates 71 raw material extraction quarries overall, broken down by activity and localization as shown in the following tables.

		total	thereof in or near protected areas*	
Cement raw materials quarries	**no.**	**area**	**no.**	**area**
Italy	20	720 ha	5	125 ha
United States	8	2.556 ha	-	-
Germany, Luxembourg and France	12	987 ha	10	886 ha
Czech Republic and Poland	3	190 ha	-	-
Russia	4	293 ha	-	-
Brazil	6	331 ha	6	331 ha

Currently, the impacts on the surrounding environment are mitigated and managed with carefully designed cultivation and restoration plans in line with the requirements of local authorities.

In 72% of active cement quarries, Buzzi adopts mitigation and/or compensation actions based on an environmental impact assessment according to Directive 2011/92/EU or equivalent regulations in the case of non-EU countries.

40% of active cement quarries are located in or near protected areas, sensitive in terms of biodiversity. Mitigation measures are in place at all these sites to protect and conserve it. These measures derive from requirements in accordance with the Birds Directive (2009/147/EC) and the Habitats Directive (92/43/EEC), or equivalent regulations in the case of non-EU countries in 81% of cases. In the remaining 19% of cases, the measures are implemented on a voluntary basis.

		total	thereof in or near protected areas*	
Aggregates quarries	**no.**	**area**	**no.**	**area**
Italy	5	179 ha	3	112 ha
United States	4	457 ha	-	-
Germany and France	3	277 ha	2	124 ha
Czech Republic, Slovakia and Hungary	6	165 ha	-	-

Regarding aggregate extraction sites, in 72% of active quarries, Buzzi has put in place mitigation and/or compensation actions based on an environmental impact assessment according to Directive 2011/92/EU or equivalent regulations in the case of non-EU countries.

♦ Accounting policies

In the metrics above are included all our active quarries for cement raw material and aggregates for concrete production (domestic or owned by third parties) at 31 December 2024.

The evaluation of proximity to biodiversity-sensitive areas has been performed in each quarry locally, following local regulations.

* Protected areas are identified locally according to legal obligation and specific site conditions.

28% of active aggregate quarries are located in or near biodiversity-sensitive areas. Mitigation measures derived by requirements in accordance with the Birds Directive (2009/147/EC) and the Habitats Directive (92/43/EEC), or equivalent regulations in the case of non-EU countries are put in place at all these sites to protect and conserve biodiversity.

Biodiversity in Dachsberg quarry, Göllheim plant, Germany
(photoMertens / Dyckerhoff)

RESOURCE USE AND CIRCULAR ECONOMY

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Positive impacts	• Boosting circular economy by increasing the use of by-products and waste as raw materials, components or alternative fuels (including demolition waste)
Negative impacts	• Reduction of the availability of natural raw material at local or global level caused by a limited use of alternative materials
Opportunities	• Enhance circular economy and use of waste materials
Risks	• Scarcity of (natural/alternative) raw materials and water

|| IRO-1

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Our approach to identify material impacts, risks and opportunities is described in the section General Information, IRO-1. For the topic "Resource use and circular economy" we have identified "Resource inflow" as a relevant subtopic in our operations and supply chain.

|| E5-1

Policies related to resource use and circular economy

The Code of Conduct essentially provides for the company's commitment to conduct its activities in full compliance with laws and regulations aimed at protecting the environment and at the sustainable use of natural resources. Currently Buzzi has not formalized any specific policy on the subject use of resources and circular economy, but is committed to make sustainable use of natural resources, evaluating their replacement, as much as possible, with recovered or waste materials, provided that they are compatible with the production process and the quality requirements of the product, including those relating to safety during use.

More information on the Code of Conduct, responsibilities, methods of dissemination and training activities related to it are presented in paragraph G1-1, "Business conduct policies and corporate culture".

|| E5-2

Actions and resources related to resource use and circular economy

Each country takes specific actions about resource management and to promote circular economy, according to their needs and characteristics.
Below, some key actions implemented in different areas of the group are listed:

Key actions	Time horizon	Scope
Installation or improvement of alternative fuels storage, management and use systems, to increase the recycling of materials and the quantity of biomass fuels and decrease CO_2 emissions	2025	Some cement plants of the group with permission to use alternative fuels
Increase of alternative materials use in cement production to decrease clinker/cement ratio in our products and reduce associated CO_2 emissions	Ongoing, continuous	All cement plants of the group
Installation of infrastructures to manage recycled aggregates and concrete production waste to reduce natural raw materials consumption	2024	Concrete plants in the Czech Republic
Improvement of waste management to increase the proportion of recovered or recycled waste	2024-2025	Plants in Poland, the Czech Republic, Italy and Brazil

Some of these actions, in addition to increasing the circular economy of our production, are part of the decarbonization plan “Our Roadmap to Net Zero”, presented in detail in chapter E1-1, “Transition plan for climate change mitigation”, as they are useful to reduce CO_2 emissions in our production process. Project details, capital expenditures and operating expenses associated with the decarbonization roadmap are described in chapter E1-1.

|| E5-3

Targets related to resource use and circular economy

Our decarbonization roadmap “Our Roadmap to Net Zero”, described in detail in chapter E1-1, establishes secondary goals related to circular economy, to reach the target of CO_2 emissions reduction. These goals are related to the increase in thermal substitution with alternative fuels with biomass content and the reduction of clinker content in cements. These are subject to revision together with the other levers to collectively contribute to the decarbonization objective.

|| E5-4

Resource inflows ♦

The following table shows the total flow of inbound resources across the group.

Raw materials and fuels consumption		2024
Total materials consumed	t/000	63,008
thereof alternative materials consumed	t/000	5,783
Ratio of alternative materials/total materials consumed	%	9.2

Details on the feedstocks and fuels included are set out in the following reporting specifications, which are split between the cement and concrete businesses.

Cement

The production of clinker, the main constituent of cement, requires the use of raw materials and fuels.

The raw materials used are mainly limestone and clay, with small additions of sand, iron and aluminum minerals. These materials, all of natural origin, come from quarries and/or mines. For the production of cement, in addition to clinker, other natural materials such as gypsum, limestone and pozzolana are used. It is possible to reduce the consumption of these natural resources by substituting them with selected non-natural materials, with suitable authorization for reuse, coming from waste from other industrial processes. For example, waste of steel processing and production residues of sulphuric acid can be used instead of iron minerals; chemical gypsum obtained from the treatment of combustion gases from electrical power plants can replace natural gypsum.
The use of substitute raw materials in cement production allows the clinker/cement (k/c) ratio to be lowered, thus reducing the emissions associated with production. In 2024 the average k/c ratio of the cement produced by Buzzi group was equal to 76.6%, decreasing as planned in the decarbonization roadmap (78.2% in 2023).

Similarly, energy obtained from traditional fossil fuels can also be supplied by "alternative" fuels derived from waste, suitably treated and duly authorized, otherwise destined for landfills or waste-to-energy plants. The cement production process is a much more sustainable solution, from an environmental point of view, than the two practices mentioned. Compared to the landfills, land occupation, impact on the landscape resulting from the large quantities stored, the operating costs and the methane emissions generated during storage are avoided. Compared to waste-to-energy plants, the production of residual slag, which requires disposal in landfills, is avoided since in cement plants it is incorporated into the clinker without compromising its quality.

♦ **Accounting policies**

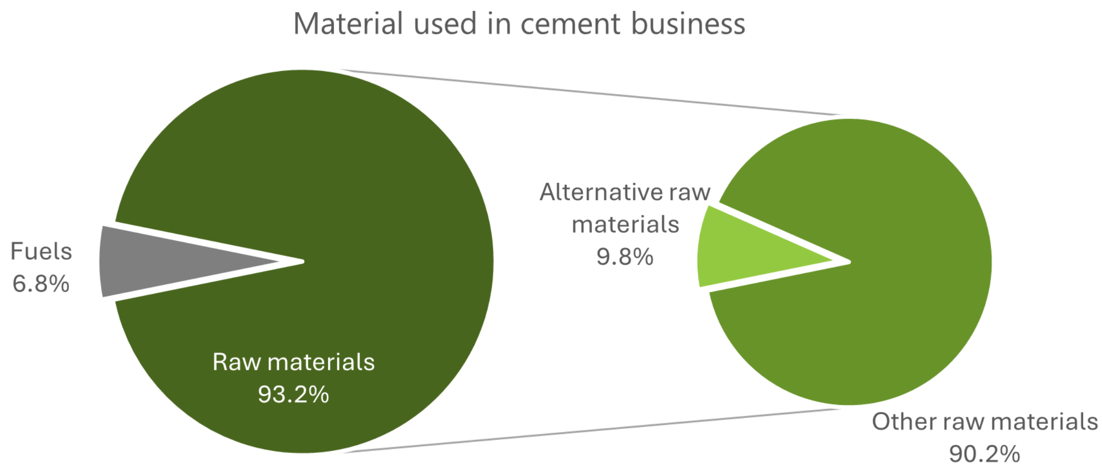
The total material consumption includes all raw materials and fuels used in cement and concrete production. More details on materials included are reported in the following accounting policies.

Resource inflows come from raw materials and fuels consumption, measured and recorded in production reports, with possible adjustment after stock evaluation procedure at year end.

♦

Cement business		2024
Total materials consumed	t/000	42,876
thereof alternative materials consumed	t/000	5,042
Ratio of alternative materials/total materials consumed	%	11.8
Clinker/cement ratio	%	76.6

Compared to the total raw materials used in cement production, 9.8% of raw materials is made from alternative raw materials.



♦ **Accounting policies**

Materials used in cement production include all raw materials, natural and alternative, and fuels, fossil and alternative. Packaging is not considered because the quantity is not relevant.

Alternative materials used in cement production include non-natural and substitute raw materials (reused, recycled or derived from by-products or waste of other production processes) and fuels from waste.

The clinker/cement ratio means the average quantity of clinker in cement produced.

Figures specific about cement production are entity-specific disclosures.

Concrete ♦

For the production of concrete, the raw materials used are essentially aggregates, i.e. sand, gravel and coarse aggregates. Concrete can provide a significant contribution to the circular economy, too. It is possible to replace part of the natural materials with non-natural aggregates, by-products of industrial processes, recycled aggregates deriving from the recovery and subsequent treatment of demolition materials or concrete not cast in work sites and/or residues from concrete mixers that are removed before making a new load.

Our company, through a commitment to the use of alternative materials, contributes to the development of circular economy.

In addition, another lever of Buzzi's roadmap is to increase the efficiency of cement in concrete production, and therefore consume less of it for the same performance. For this reason, we monitor the average cement and clinker content in all the concretes we produce.

Some benchmarks regarding our concrete production are described in the table below.

Concrete business		2024
Average cement content	$kg/m^3_{concrete}$	306
Average clinker content	$kg/m^3_{concrete}$	199
Average clinker/cement ratio in concrete	%	65.3
Alternative materials consumed	t/000	742
thereof recovered water	t/000	419

Among the materials used for the production of concrete, one of the ingredients is water, whether clean or recovered. Part of the water used comes from stormwater or washing water. In 2024 the average water content in the concrete was 172 l/m^3.

♦ Accounting policies

Materials used for concrete production include aggregates (natural, non-natural and recycled), water and other solid components (as slag or fly ashes), including cement bought from third parties. Self-produced cement is not accounted as inbound material to avoid double counting at group level.

Alternative materials used in concrete include non-natural aggregates, recycled aggregates from concrete production, recovered water, other solid components from waste or other production processes (as slag and fly ashes).

The clinker/cement ratio in concrete shows the average clinker content in cement used for concrete production of our group.

Figures specific about concrete production are entity-specific disclosures.

SOCIAL

OWN WORKFORCE – OUR EMPLOYEES

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Positive impacts	• Increasing safety awareness and culture of our workers • Guarantee business continuity and secure employment for workers • Respect for human rights in all countries where the company operates, beyond local laws and practices
Risks	• Risk that companies of our value chain do not attract, motivate and retain skilled people

|| SBM-2

Interests and views of stakeholders

Our workers are among the most important stakeholders for the company. For the purposes of the double materiality assessment, the interests and opinions of the workers have been considered as described in the chapter General Information, IRO-1.

|| SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

The approach followed to determine material impacts, risks and opportunities is described in the chapter General Information, IRO-1. This process identified three material positive impacts and one risk related to the topic "Own Workforce".

Potentially, all employees and non-employees performing activities for the company may be affected by the material impacts listed above. These categories of people are included within the scope of disclosure under ESRS 2.

Regarding the topic "Health and Safety", all workers performing activities at our facilities are thoroughly informed about our Health and Safety Policy and are actively involved in promoting a safety culture.

To generate positive impacts on the health and safety of our workers, Buzzi continued to implement various activities throughout 2024, such as sharing best practices and organizing training and dialogue sessions, fostering greater awareness and engagement among workers at all levels of the organization.

The increasing cooperation within the company has generated synergies that contribute to improving the group's standards, including behavioral safety, applying problem-solving techniques to conduct root cause analysis of incidents, controlling hazardous energy sources, organizing work at height and managing emergencies.

Regarding the topics of employment protection and business continuity, in all countries where Buzzi operates, employees and non-employees performing activities for the group companies are compensated in line with market conditions, and all social security obligations are fulfilled. In some countries, specific insurance coverage is provided. Employment continuity is fundamental for the group's growth and employee development is a substantial element for personal satisfaction; therefore, great attention is paid to training and career opportunities.

Reducing negative environmental impacts is an important medium/long-term goal for our company, which will also need to be supported by new technologies. These will have positive impacts on all employees, particularly in terms of professional growth, skill enhancement, expansion of work scope and responsibilities, training and development activities.

During the impact identification phase, the company's workers to be involved were identified as described in chapter General Information, IRO-1, to include a wide range of roles, including workers with specific characteristics, those working in particular contexts, or performing certain activities that may be more exposed to risks.
The relevant impacts, risks and opportunities identified concern all our workers indiscriminately and are not focused on specific groups distinguishable by peculiar characteristics (age, religion, gender, nationality, etc.).

|| S1-2

Processes for engaging with own workers and workers' representatives about impacts

Regarding the positive impacts identified as relevant, the engagement processes implemented by the company vary based on the topic and the specific needs of the areas in which we operate.
At the group level, during 2024, with the involvement of some executives, we identified, disseminated and communicated "Our Values" - Credibility and Solidity, Care for Our People, Respect and Openness, Continuous Evolution, Safety - through direct meetings and digital sharing. Additionally, this year we launched our group-level corporate intranet, which facilitates better information sharing and exchange among the various company entities.

At the local level, worker engagement regarding working conditions and safety varies according to the regulations in the areas where we operate. The frequency, content and methods of engagement differ depending on the topics but typically involve workers' representatives.
For example, in Europe, workers' representatives periodically interact with company management to address workers' interests.
In the United States, federal governing bodies such as the Occupational Safety and Health Administration (OSHA) and the Mine Safety & Health Administration (MSHA) require employers to promote employee involvement in hazard identification and mitigation, thus encouraging everyone to report potential safety risks.
In Brazil, the CIPA (Comissão Interna de Prevenção de Acidentes e de Assédio), composed of a group of employee representatives, plays a crucial role in creating a safe working environment, promoting employee quality of life and strengthening the culture of prevention within the company.
In addition, with regard to health and safety, Buzzi guarantees the active involvement of employees in Furthermore, regarding health and safety, Buzzi ensures the active involvement of employees in safety committees and feedback mechanisms. This approach effectively manages both actual and potential health and safety impacts, ensuring that our policies and procedures not only comply with current regulations but also address the concrete protection needs of our workers. Examples include the active safety committees in our plants and the operational meetings in departments held at all our locations.
Additionally, during the launch of the health and safety policy, each manager presented the policy principles to their team through dedicated meetings, aiming to raise awareness on the topic, reinforce corporate commitment and collect and manage workers' reports.

For all the activities listed above, different functions and actors, depending on the topics and legislation, have the operational responsibility to ensure informative engagement and the evaluation of the results achieved.
Our people engagement effectiveness is evaluated on the basis of specific chances for exchange, without the need to adopt specific procedures.

|| S1-3

Processes to remediate negative impacts and channels for own workers to raise concerns

Buzzi has specific channels that allow workers to raise concerns. Employee matters are normally dealt with by the Human Resources Department, with the exception of some countries where the whistleblowing channel is also used. All employees are guaranteed in any case a dual channel for reporting complaints: the Human Resources Department and the direct manager of each employee, who act as checks and balance; this allows all employees to have a "free space" to report concerns or needs. The relationship with the Human Resources Department is direct and continuous, protected by internal processes and procedures which guarantee open communication and full fairness towards all employees.

As regards the handling of complaints and/or complaints relating to unlawful conduct or violations of the Code of Conduct, Buzzi makes available to anyone who becomes aware of these situations adequate reporting channels with an ad hoc IT platform, such as to guarantee the confidentiality of the whistleblower.

Implementation and operation of the whistleblowing system have been appropriately communicated to all employees through internal communication and a dedicated section on the company's website at *https://buzzi.integrityline.com* is active. More details on how the whistleblowing system works can be found in chapter G1-1.

The whistleblowing channel and the Human Resources Department ensure full privacy of the people raising concerns, as well as efficient tracking, monitoring and granularity of reports.

|| S1-1

Policies related to own workforce

Buzzi does not have a specific policy for managing impacts related to ensuring business continuity and employment. The group adheres to the general principles of good conduct detailed in the Code of Conduct. Applied to Buzzi SpA and all its Italian and foreign subsidiaries, the Code also states that the protection of human rights is a fundamental cornerstone of our way of doing business.

Respect for labor rights and regulations for all workers, including contractors and non-employees working for Buzzi, is scrupulously observed and guaranteed regardless of the existence of a human rights policy, as described in the Code of Conduct. Specifically, Buzzi condemns labor exploitation, prohibits the use of any form of irregular work and promotes the protection of employees' rights, trade union freedoms and association rights.

In its internal relations and interactions with third parties, the company recognizes and respects the principles of dignity and equality and does not tolerate any form of discrimination or harassment.

All employees are offered the same opportunities and fair treatment, based on merit and competence, regardless of individual characteristics and/or conditions such as gender, nationality, religion, age, etc. In the processes of selection, management and development of personnel, every decision is based solely on objective elements such as skills, professionalism, commitment, results, and job-related criteria without favoritism or discrimination.

All Buzzi group employees are aware of the Code of Conduct, which is presented to each one upon hiring and is available on the company's website.

More information on the Code of Conduct, responsibilities, dissemination methods and related training activities is presented in chapter G1-1.

As integration of the principles established by the Code, the company is working on the adoption of a specific policy about respect for human rights to be applied to the whole group and its value chain.

|| S1-4

Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Each country takes specific actions with respect to its employees, with the aim of managing the impacts, risks and opportunities related to them. The recipients of the various actions taken by the company depend on the specific initiative and the area concerned, as well as the time horizons in which they are implemented.

With a particular focus on issues that were relevant at group level, the actions taken are mainly aimed at providing professional development opportunities, improving work-life balance, strengthening the bond between employees, their families and the company. The main areas of action are as follows:

Key actions	Time horizon	Scope
Training programs for new employees and/or to promote new skills development	Varying based on the project	Each area identifies projects according to recruitment needs and/or after the identification of intern capability. Some examples are the Level II master "TAGCEM" in Italy and the Industrial Leadership School in Brazil
Skills development through continuous training, also with e-learning platforms	Ongoing, continuous	All employees, based on their role and job requirements
Measures and initiatives to support parenthood and promote the connection between employees' families and the company	Ongoing	Each area developed specific initiatives, for example the "*Family friendly company*" in Italy, "*Faz Bem Conhecer - Dia da Família*" in Brazil, a housing project for Maryneal employees in the United States
Smart-, flex- and/or remote working, to help employees manage their work-life balance	Ongoing	All areas, according to the role of each employee

All the actions listed above aim to generate positive impacts for our employees and/or manage any risk of potential future shortages of appropriately skilled staff. In this regard, moreover, the group offers all employees, depending on their skills, position and growth needs, a full range of training and development initiatives. Development pathways, including international mobility (where appropriate), are tailored to each employee. In the paths of advancement, where possible and on equal terms, the growth of the internal workforce is privileged. In addition, interdisciplinary and international working groups are set up to increase and disseminate knowledge and skills.

The effectiveness of training and development actions is assessed through performance management systems and periodic feedback sessions.

|| S1-5

Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

Currently, the company has not set HR targets in relation to relevant impacts, risks and opportunities, except for Health and Safety, as reported in the chapter "Own workforce – Health and safety". The application of the Code of Conduct and its monitoring, as described in the document itself, protect human resources from non-compliant and unaccepted behavior.

|| S1-6

Characteristics of the undertaking's employees ♦

The different and articulated needs of the territories where Buzzi operates have always been the expression that characterizes the multi-regional organization of the group. Human resources are considered as a constant factor of business growth and the enhancement of human capital has always been a pillar on which the competitive development of the company itself is based. The following tables present figures and metrics relating to the characteristics of our workers.

Number of employees by gender		2024
Male	no.	8,587
Female	no.	1,474
Other	no.	0
Not disclosed	no.	0
Total employees	**no.**	**10,061**

Number of employees by country		2024
ITA	no.	1,566
USA	no.	2,375
GER	no.	1,756
LUX	no.	163
NLD	no.	104
POL	no.	344
CZE	no.	614
SVK	no.	31
RUS	no.	1,881
BRA	no.	1,227

The number of Buzzi employees at the end of 2024 is equal to 10,061, increased by 4.6% compared to 2023 (9,620). The increase of the total number of employees for 2024 is linked to the acquisition and consolidation in October 2024 of the Brazilian entities.

♦ Accounting policies

Figures related to the number of our employees come from human resources management systems and are referred to employees' number at 31 December 2024.

Figures of our subsidiaries, in line with the consolidated financial statement, are aggregated as follow: the data of Dyckerhoff Gravières et Sablières Seltz S.A.S. are aggregated with Germany and those for ZAPA Beton HUNGÁRIA Kft. are aggregated with Slovakia. Moreover, workforce number is reported as average number of employees in note 11 of the consolidated financial statements.

Globally, 4 macro-areas in which Buzzi operates can be identified: Europe, the United States of America, Russia and Brazil. Compared to the total number of contracts, 94.3% of those are permanent and 97.1% of employees have full-time contracts, in line with data of 2023 (93.9% and 97.3% respectively).

2024

		Male	Female	Other	Not disclosed	Total
Number of employees	no.	8,587	1,474	0	0	**10,061**
Permanent employees	no.	8,143	1,346	0	0	**9,489**
Temporary employees	no.	431	126	0	0	**557**
Non-guaranteed hours employees	no.	13	2	0	0	**15**
Full-time employees	no.	8,485	1,284	0	0	**9,769**
Part-time employees	no.	102	190	0	0	**292**

2024

		ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	BRA
Number of employees	no.	1,566	2,375	1,756	163	104	344	614	31	1,881	1,227
Permanent employees	no.	1,509	2,359	1,571	163	96	294	556	27	1,754	1,160
Temporary employees	no.	57	6	185	0	3	50	58	4	127	67
Non-guaranteed hours employees	no.	0	10	0	0	5	0	0	0	0	0
Full-time employees	no.	1,534	2,367	1,611	160	77	344	604	31	1,881	1,160
Part-time employees	no.	32	8	145	3	27	0	10	0	0	67

♦

Employee turnover		2024
Total termination	no.	1,470
Turnover rate	%	14.6

♦ **Accounting policies**

Employee turnover rate is calculated as the ratio of total termination in the year and total number of employees at year end.

|| S1-8

Collective bargaining coverage and social dialogue ♦

In Europe, collective bargaining is extended and guaranteed at all levels. In 2023, the activity of the European Works Council (EWC), the consultation and information body for all workers in the European Union, resumed and took place again in November 2024, in presence. In all Italian cement production plants there are trade union representatives (RSU) whose relations with the company have historically been characterized by transparency and a spirit of collaboration. More generally, in all countries, personnel are represented according to local legal provisions, sometimes differentiated between regions of the same country, but always in compliance with Buzzi's Code of Conduct. Working conditions and terms of employment of our employees not covered by collective agreements are determined on the basis of local legislation and regulations.

In 2024, 82.6% of total employees were covered by collective bargaining.

	Collective Bargaining Coverage		Social dialogue
Coverage Rate	Employees (EEA)	Employees (non-EEA)	Workplace representation (EEA only)
0 - 19 %	-	-	-
20 - 39 %	-	USA	-
40 - 59 %	-	-	-
60 - 79 %	-	-	-
80 - 100 %	ITA - GER	RUS - BRA	ITA - GER

In addition, there are agreements with employees for representation by the European Works Council (EWC).

♦ Accounting policies

Employees covered by collective bargaining are reported in accordance with ESRS S1-8 for the countries in which the company has significant employment (at least 10% of total number of employees). The reporting is divided for countries inside and outside European Economic Area (EEA) and include the number of employees covered by at least one collective bargaining agreement.

Workplace representation is calculated in accordance with ESRS S1-8, only for countries inside European Economic Area (EEA) where Buzzi has significant employment.

|| S1-9

Diversity metrics ♦

Buzzi's activities are developed in different countries and continents. The centrality of people, with their characteristics and diversity, is one of the founding values of the group, as enshrined in the Code of Conduct. Meritocracy, awareness and assumption of responsibility are the pillars on which the growth path of our employees is based. At Buzzi, we reject any form of discrimination and aim to value the diversity of people who work in a dynamic, heterogeneous and multicultural environment.

At senior management level, 81 employees have been identified, broken down by gender as follows:

Top management		Male	Female	Total
Executives and Senior management	no.	68	13	**81**
	%	*84.0*	*16.0*	***100***

The employees of the Buzzi group are divided by age as follows:

Distribution by age group		Male	Female	Total
Under 30	no.	1,222	227	**1,449**
Between 30s and 50s	no.	4,329	828	**5,157**
Over 50	no.	3,036	419	**3,455**

|| S1-13

Training and skills development metrics

The group, through its training and development initiatives, promotes internal growth of its staff over external hiring, ensuring that at least 50% of the open positions are intended for its employees, provided they have equal skills. Training activities are selected on the basis of the needs that emerge in each country.

Training		2024
Total hours of training	hours	461,378
Average hours of training per capita	hours/person	46
Management	hours/person	27
Male	*hours/person*	26
Female	*hours/person*	34
White collars	hours/person	39
Male	*hours/person*	42
Female	*hours/person*	29
Blue collars	hours/person	53
Male	*hours/person*	55
Female	*hours/person*	23

♦ **Accounting policies**

The top management is represented by executive and senior management of Buzzi SpA, Buzzi Unicem Srl, Unical SpA, Dyckerhoff GmbH, Buzzi Unicem USA Inc., Companhia Nacional de Cimento and their subsidiaries, including the roles of Chief Executive Officer, General Manager, Chief Operating Officer, Chief Technology Officer, Chief Financial Officer, Business Unit Representatives and all directors (excluding those of subsidiaries).

In 2024 total training hours have increased significantly, as have the average training hours per capita, which have risen from 41 hours in 2023 to 46 hours in 2024. The most significant increases were recorded in Italy (+36% hours of training per capita), Luxembourg (+59%) and the Czech Republic (+37%).

|| S1-17

Incidents, complaints and severe human rights impacts ♦

For years, Buzzi has implemented an internal system for reporting any irregularities or violations of applicable legislation by employees, through the adoption of a procedure also applied by foreign subsidiaries.

All reports received are evaluated and investigated by the local Internal Audit under the direction of the Central Internal Audit. In 2024, 6 reports were received regarding potential cases of discrimination and/or harassment, none of which was confirmed.

In 2024, we had no major human rights incidents connected to our employees.

Incidents, complaints and severe human rights impacts		2024
Incidents of discrimination reported	no.	6
Incidents of discrimination confirmed	no.	0
Severe human rights incidents	no.	0
Fines, penalties and compensation for damages	€	0

♦ Accounting policies

The number of incidents reported through the channels for our own workforce is the total number of complaints collected through the whistleblowing system. We are aware that some cases could not be reported via our whistleblowing hotline, but reported and managed through other channels, for example to the function chiefs or the Human Resources function.

Cases related to discrimination include cases reported and investigated during the year. However, for Brazilian subsidiaries only reports received from October 2024 are included, when these entered in the consolidated scope of the group.

Cases considered include discrimination based on sex, race or ethnic origin, nationality, religion or belief, disabilities, age, sexual orientation or other relevant forms of discrimination. This includes incidents of harassment as a specific form of discrimination.

OWN WORKFORCE – HEALTH AND SAFETY

|| S1-1

Policies related to own workforce

In 2023, with the signature of the CEO and COO, our Health and Safety Policy was issued and disseminated, aimed at ensuring the involvement and inclusion of all stakeholders, promoting safe behaviors, attitudes and standards.
Buzzi SpA, together with all its subsidiaries globally, is committed to constantly sustaining and improving the work-related Health and Safety (H&S) of employees, contractors and suppliers who operate in all of our locations, with the aim of reducing injuries and occupational illnesses to zero.

To achieve this goal, the company is continuously implementing initiatives aimed at maintaining and growing an inclusive, widespread and engaging safety culture, where everybody is an active participant.

Buzzi believes that third-party certifications represent a strategic support for the achievement of its objectives: currently, 90% of the workforce is covered by health and safety management systems, of which 56% complies with the ISO 45001 standard. These standards promote continuous improvement, which requires a constant reassessment of risks through regular compliance controls and the resulting adoption of actions necessary to mitigate dangerous situations and to promote safe behavior.

In defining health and safety policies, Buzzi engages potentially affected stakeholders to ensure that these policies are effective, compliant and relevant to all. The new policy was disseminated through a dedicated campaign, which included communications via intranet, company website and other specific media, as well as targeted meetings in which each manager presented the fundamental principles to their team, collecting and managing feedback and confirming the commitment of all staff.

The policy is available at every company location, through posters in common areas, explanatory videos and its integration into training and information materials, ensuring that health and safety principles are known and shared at all levels of the organization.

|| S1-4

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

In 2024, several key actions were implemented to strengthen H&S protocols at corporate and regional levels. All workers, particularly those with operational roles, were directly involved while the initiatives also had an indirect impact on suppliers, contractors and local communities, contributing overall to improving safety in the workplace.

Some key actions have concerned the following areas of interest:

Key actions	Time horizon	Scope
Cascading of the new health and safety policy to the workforce in order to share clear information and to fully implement the new guidelines on workplace safety	Completed in 2024	All group's employees
Creation of an interregional working group, *Key Advancement Area H&S*, to facilitate the exchanges and guide the implementation of good practices between the various geographical and business areas in which the group operates	Ongoing	All areas of the group
Implementation of the Lockout/Tagout/Tryout (LOTOTO) group procedure to prevent accidental start-ups of the equipment during cleaning and maintenance operations	Full operation expected in all relevant facilities by 2026	All employees and contractors working at our operating sites
Sharing lessons learned and best practices to facilitate continuous improvement	Ongoing	All locations where the organization operates, ensuring not only a uniform safety standard, but also harmonization with local and regional compliance requirements
Root cause analysis and introduction of tools for problems' solution	Full operational implementation expected within the year following the introduction of the tools	
High Risk Operations (HRO) mapping aimed at dedicated monitoring of the most critical activities	Expected completion within 12-18 months, allowing for a comprehensive analysis and subsequent implementation of targeted safety measures	
Review risk reduction projects to evaluate ongoing safety projects, ensure their effectiveness and make potential necessary changes	Annual review with continuous adjustments and improvements based on results	

Future actions aim to consolidate existing initiatives with the goal of:

- Increasing awareness about safety compliance, through continuous training and awareness programs, using the health and safety policy as a reference model.
- Reducing incidents and improving safety performance with the implementation of the LOTOTO procedure, targeted risk reduction measures, and the identification and correction of the root causes of adverse events.
- Sustaining the growth of safety culture, constantly integrating lessons learned and best practices into daily operational activities.

|| S1-5

Objectives related to the management of material negative impacts, the enhancement of positive impacts and the management of material risks and opportunities

Buzzi's health and safety strategy is not just a vision, it is a tangible commitment embedded in a series of initiatives aimed at fostering a culture of care and excellence in all its operations globally.
These initiatives highlight the company's dedication to pursuing a safer and more sustainable future, in line with its financial and sustainability goals.
Our goal, set in 2023 with the revision of the Health and Safety Policy, is zero accidents and occupational illnesses for the whole group, including employees, contractors and suppliers who operate in all of our locations. The goal will be pursued until it is achieved. In 2024 the number of accidents with absence from work decreased compared to 2023 (around -18.2%). More details in the chapter "Health and Safety Metrics".

At corporate level, performance against the target is monitored through routine meetings and structured presentations reporting relevant data and KPI from all operational areas. The main performance data are reviewed quarterly during the meeting of the Board of Directors.
At regional and plant level, the Executive Committee and the Health and Safety Committee review performance data according to their respective scopes.
Metrics shared at all levels include injury trends and fatalities, along with frequency and severity rates.
Additional metrics at the regional and plant level are used to monitor, for example, the trend of near misses and training completion rates. Any significant variations in performance are identified and, where necessary, faced by a dedicated action plan.
Finally, goals are defined by the company, considering as key factors events and feedback collected from operational sites.
The company actively involves both its workforce and its representatives in monitoring performance against objectives. This commitment takes place mainly through:

- Safety committees and local meetings, i.e. regularly scheduled meetings where workers and their representatives review performance data, discuss trends and identify any deviations from established local goals.
- European Work Council (EWC) meetings, that provide a platform to share detailed performance updates and gather direct feedback from workers' representatives at European level.
- Structured feedback mechanisms, i.e. tools such as digital/physical surveys, dashboards and departmental meetings allowing employees to access safety metrics and share feedback and suggestions for improvement.

|| S1-14

Health and safety metrics

Our employees covered by health and safety management system are 90% of the total workforce, as reported in the chapter "Own workforce – Health and safety", S1-1. In 2024 a total of 146,310 hours in training courses were provided on health and safety issues to over 9,000 workers. Health and safety training represents 32% of the total training hours.

To ensure the health and safety of our employees and contractors, we continue to constantly monitor our safety performance and implement the relevant actions where and when needed. To do this, Buzzi uses local software and databases for the recording and analysis of accidents and injuries involving employees and contractors' workers. Aside from this, these systems also collect information on the adopted corrective measures.

The continuous improvement of workplaces, prevention and protection measures and systems for the monitoring of health surveillance have also contributed to the closure of 2024 with no cases of occupational diseases.

At group level, data and trends are analyzed quarterly and reported by the General Manager to the Board of Directors together with details of the most important events, including an update on the main initiatives aimed at reducing risks and increasing the culture of safety.
With respect to the previous year, in 2024 a generalized decrease of accidents has been recorded, as well as a reduction of the injury's frequency index. In 2024, a fatal accident occurred in the United States, involving a worker of a contracting company.

♦

		Employees	Contractors	Total
Total injuries	no.	179	59	**238**
Injuries causing absence from work	no.	43	29	**72**
Fatalities	no.	0	1	**1**
TIFR (Total Injury Frequency Rate)	-	10.1	6.6	**8.9**
LTIFR (Lost Time Injury Frequency Rate)	-	2.4	3.3	**2.7**
Lost days (calendar basis)	days	3,491	1,650	**5,141**

♦ **Accounting policies**

The published figures and rates refer to all our business activities, i.e. cement, concrete and aggregates, terminals, transport and offices/ laboratories/ premises. As of 2015, the scope includes both employees and contractors, considered part of our value chain workers, as defined by ESRS. Metrics here reported for contractors comply with the requests of ESRS S2 standard about metrics.

The total number of injuries includes injuries with and without absence from work, including fatal injuries. While injuries with absence from work are related to accidents that cause at least one day or one shift of absence from work, excluding fatal injuries.

The worked hours of our employees are obtained from the number of hours paid and recorded by personnel management systems. For contractors, the figures of worked hours come from access control systems or through estimates and/or information derived from the stipulated contracts.

TIFR (*Total Injury Frequency Rate*) is calculated as the total number of injuries with or without absence from work, including fatal injuries, divided by worked hours and multiplied by 1 million.

LTIFR (*Lost Time Injury Frequency Rate*) is calculated as the total number of injuries with absence from work, excluding fatal injuries, divided by hours worked and multiplied by 1 million.

Lost days refer to the total days of absence from work, accounted on calendar basis starting from the day after the injury occurred to the day before the person returns to work.

WORKERS IN THE VALUE CHAIN

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Risks	• Risk that companies of our value chain do not attract, motivate and retain skilled people

|| SBM-2

Interests and views of stakeholders

Workers in the value chain are a relevant category of stakeholders for the company. For the purposes of the assessment of double materiality, the interests and opinions of the various categories of stakeholders were considered as described in the section General Information, IRO-1.

|| SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

The approach used to determine material impacts, risks and opportunities is described in section General Information, IRO-1. One relevant risk arises from this process, related to the subject "Workers in the value chain".

Considering the value chain described in the chapter General Information, SBM-1, "Strategy, business model and value chain", the analysis of double materiality concerned an extended scope of workers, ours and those of third-party companies. The relevant risk refers in particular to the workers of our contractors and the potential future shortage of highly trained and specialized personnel who can guarantee the continuity of activities carried out by them at our sites. In this sense, the company has focused its efforts on the workers in the value chain from whom this risk derives and on whom the group's activities may have the greatest impact.

|| S2-2

Processes for engaging with value chain workers about impacts

At local level, in accordance with current regulations, management systems are implemented for the qualification and evaluation of suppliers. In this phase of qualification and evaluation, detailed information on the working conditions of the workers is requested.

For example, anyone who accesses our sites is informed of potential hazards through dedicated materials, such as videos, brochures and company procedures. Specific measures are taken for the various work activities to ensure the safety of workers. In work at height, the mandatory use of certified fall arrest devices and the verification of the suitability of the scaffolding is required. Confined space interventions require special permits, air quality monitoring and an external supervisor.

These measures are accompanied by periodic inspections and safety audits, aimed at verifying the application of the procedures and promoting the protection of all workers involved.

A responsible figure for engagement processes of workers in the value chain is not defined, but these are managed locally.

|| S2-3

Processes to remediate negative impacts and channels for value chain workers to raise concerns

Our approach to addressing concerns and complaints within our value chain is based on the principles of transparency and trust. Although the analysis of double materiality did not reveal significant negative impacts, the company has in place specific channels that allow anyone who becomes aware of illegal conduct or violations of the Code of Conduct to raise concerns. In particular, through the whistleblowing channel accessible from the company website, the confidentiality of reports and the privacy of people who express concerns are guaranteed. More details on how the whistleblowing system works can be found in paragraph G1-1.

|| S2-1

Policies related to the value chain workers

At Buzzi, we are fully aware that a sustainable business approach requires the involvement of our supply chain. As a demonstration of this, the group's Health and Safety Policy also applies to contractors; for more details, refer to the chapter "Own Workforce".

Furthermore, in all the countries where we operate, the relationship with our suppliers is based not only on technical and economic considerations, but also on the sharing of fundamental ethical values, in particular those mentioned in our Code of Conduct, which establishes the essential principles of integrity and fairness, including attention to respect for human rights. The obligation to comply with these principles is extended to directors, members of corporate bodies, all employees, suppliers and to all those who act in the name and/or on behalf of Buzzi, including, but not limited to, representatives, agents, collaborators, external consultants, companies that receive an assignment from the company. More information about the topic and content of the Code of Conduct is described in the chapter "Business conduct".

For Buzzi, respecting human rights means guaranteeing dignity, safety and health, respect for the person, equal employment and development opportunities and enhancement of diversity for an inclusive growth.

We are aware that simple compliance with the law is not enough. Thus, in 2023 we commissioned a specialized partner to evaluate the set of actions, procedural and practical, that can affect, directly or indirectly, the guarantee and respect of human rights. Downstream of this, as stated in the previous chapter and as integration to the principles established by the Code of Conduct, the company is working on the adoption of a specific policy on the subject to be applied to the entire group and its value chain.

|| S2-4

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Each country takes specific actions with respect to the workers of its contractors, with the aim of managing the impacts, risks and opportunities related to them. The recipients of the different actions taken by the company depend on the specific initiative and the area concerned, as well as the time horizons in which they are implemented.

Key actions	Time horizon	Scope
Implementation of procedure Group Lockout/Tagout/Tryout (LOTOTO) to prevent accidental machine starts during maintenance, improving workers safety	Expected to be fully operational in all relevant facilities by 2026	Implementation affects both upstream processes (such as equipment handling and configuration) and downstream activities (including maintenance and disposal)

|| S2-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Our goal for the health and safety of workers of contractors operating in our sites is the achievement of zero accidents and occupational diseases for the entire group. For more details on metrics and targets see chapter "Own workforce - Health and Safety".

GOVERNANCE

BUSINESS CONDUCT

	OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES
Positive impacts	• Sharing of the company's values with all stakeholders • Development and sharing of sectorial good practices (e.g. decarbonization plans, safety best practices)

|| GOV-1

The role of the administrative, management and supervisory bodies

The Board of Directors is the collective management body of the Company, exercising all powers regarding the ordinary and extraordinary administration of the Company. The Board of Directors carries out a function of direction and control with regard to the general activity of the Company and of the group it heads, pursuing their sustainable success.

The Board of Directors of Buzzi SpA evaluates and approves the main policies related to business conduct and corporate culture. In particular: Code of Conduct, Anticorruption Code, Antitrust Code, Model of Organization, Management and Control (valid only in Italy).

As reported in the Regulations of the Board of Directors, without prejudice to the competences provided for by the legislation and the bylaws, regarding the behaviour and practices of the company in relation to sustainability, ethics and social responsibility, the Board:

a) defines the corporate governance system of the Company and the structure of the group, evaluating, if deemed necessary, the preparation of proposals to be submitted to the shareholders' meeting;
b) defines the strategic lines of management as well as of industrial and financial development of the Company and the group, periodically monitoring their implementation and evaluating the general management trend;
c) defines the nature and level of risk compatible with the strategic objectives of the company, including in its assessments all the elements that may be relevant in view of sustainable success;
d) supervises the general performance of operations, with particular attention to situations of conflict of interest, taking into consideration, in particular, the information received from the Chief Executive Officer; to this end, the latter reports to the Board of Directors and the Board of Statutory Auditors at least quarterly on significant transactions falling within the limits of the powers assigned to him/her;
e) defines the Remuneration Policy and its possible revision and the Report on the Policy regarding Remuneration and fees paid to be submitted to the Shareholders' Meeting;
f) adopts, on the proposal of the Chairman and in agreement with the Chief Executive Officer', a policy for managing dialogue with the generality of shareholders as well as the procedures for external communication of documents and information concerning the Company, with particular reference to inside information;

The role and responsibilities of administrative, management and supervisory bodies in relation to the conduct of companies is described in chapter General information, GOV-1.

|| IRO-1

Description of the processes to identify and assess material impacts, risks and opportunities

Our approach to determining relevant impacts, risks and opportunities is described at chapter General information, IRO-1. For Business Conduct we have identified positive impacts that also extend to our value chain.

|| MDR-P || G1-1

Business conduct policies and corporate culture

Buzzi SpA considers ethics to be an essential part of business management and full compliance with laws is an asset that adds value to the company. All our activities, both strategic and operational, are carried out in compliance with the ethical values that guide our conduct and with the applicable regulations.

For this reason, the Code of Conduct (*https://www.buzzi.com/code-of-conduct*) was prepared, with the aim of defining integrity and fairness standards that Buzzi has voluntarily chosen to implement, as a commitment towards its stakeholders.

The principles contained in the Code apply to all directors, members of corporate bodies, employees, suppliers and any person acting in the name and/or on behalf of Buzzi including, but not limited to, representatives, agents, partners, external consultants, entities appointed by the company, etc.

Buzzi undertakes to disseminate the Code to all those to whom it applies through: distribution to all employees and new employees upon hiring; publication on the websites of the group companies; posting on all company bulletin boards; introduction of specific clauses in contracts with suppliers; transmission to key customers and stakeholders.

The violation of one of the standards contained in the Code may entail - for employees - the application, in compliance with the applicable legislation in force and the employment contracts applied, of a disciplinary measure according to the seriousness of the violation.

The non-compliance by third parties could result in Buzzi requesting such third party to take corrective actions. Repeated violations of the Code or refusing to put in place corrective actions could result in Buzzi terminating the relationship with the third party.

In addition to the Code of Conduct, Buzzi has implemented various documents and guidelines, as described in chapter "Prevention and detection of corruption and bribery", with the aim of constantly raising awareness and monitoring compliance with the principles of business conduct and zero tolerance of corruption.

The Board of Directors of Buzzi SpA on 7 February 2025 approved the new Anti-Corruption Code, in line with the UNCC, which will be implemented during the year in all the companies of the group.

In addition, Buzzi has issued the "*Guidelines of Behavior for Employees of the Buzzi Group for Compliance with Competition Rules*" (Antitrust Code) and in Italy, in compliance with the Antitrust Compliance Guidelines adopted by the Italian Antitrust Authority, it has appointed an Antitrust Compliance Officer and an Antitrust Compliance Program has been adopted.

In the light of the information provided by the Legislative Decree 231/2001, all Italian companies of the Buzzi group have deemed it consistent with their corporate policy to proceed with the implementation of the Organization, Management and Control Model, with the aim of preparing a structured and organic system of prevention, deterrence and control, aimed at reducing the risk of committing crimes through the identification of sensitive activities and their consequent discipline.

The Code of Conduct, the Antitrust Code and the above listed policies (excluding the Model of Organization, Management and Control pursuant to Legislative Decree 231/2001) apply to the Buzzi SpA and to its Italian and foreign subsidiaries.

The CEOs of all the subsidiaries are responsible for the adoption and integration within their organization of the Codes, Guidelines and procedures issued by the parent company.

Local Internal Audit functions verify that the Codes, guidelines and procedures issued by the parent company are applied in the organization in which they operate. These checks are conducted as part of the continuous control activity carried out by the local Internal Audit functions as well as on the basis of whistleblowing reports received. The local Internal Audit functions functionally report to the Responsible of Internal Audit of Buzzi SpA who does not depend on any operational area and reports hierarchically to the Board of Directors.
The verification activities and audits carried out in the various offices and plants of the group are perfected with an activity of observations and recommendations that manifests itself with the issuance of reports for the management. Especially, the Internal Audit Function of Buzzi SpA prepares a quarterly Report containing exhaustive information on the activities carried out during the period and on any critical issues encountered. This Report is sent to the Chairman of the Control, Risk and Sustainability Committee, the Chairman of the Board of Statutory Auditors, the Chairman, the Chief Executive Officer and the General Manager of Buzzi SpA.

To develop and promote its corporate culture, the Code of Conduct, the Antitrust Code, the Guidelines and the company procedures are made available to all those to whom they apply through the group corporate intranet. In addition, periodic training sessions are planned on the Code of Conduct and on the main topics of business conduct: anti-corruption, antitrust, Legislative Decree 231/2001.
Training on the principles of the Code of Conduct is provided every three years. In 2024, 2,834 employees received training on the Code and related topics. Training concerning the Anti-corruption issue is described in chapter "Prevention and detection of corruption and bribery", as well as related risk functions. In addition to this, training courses are periodically organized, on the basis of current legislation and company procedures on Antitrust issues and Legislative Decree no. 231/2001.

As described also in chapter S1-3, Buzzi makes available to anyone who has become aware of illegal conduct or violations of the Code of Conduct specific reporting channels to ensure confidentiality of the identity of the whistleblower and people mentioned in the report, as well as the content of the report itself and the related documentation. Reports are managed by personnel specifically trained to manage them.
Buzzi undertakes to protect the confidentiality of the identity of the whistleblower and to ensure that no act of retaliation or discrimination, direct or indirect, is taken against the person who has made a report in good faith.
Since 2016, the parent company has adopted and transmitted to its Italian and foreign subsidiaries a "Procedure for whistleblowing management" with the aim of establishing common rules on how to manage the reports received in the various companies of the group.
The procedure identifies the senior executives to whom letters or reports from whistleblowers must be sent and defines the procedures for subsequent investigations, in conformity with the applicable national legislation and the processing of personal data, as well as measures to protect whistleblowers in good faith.

|| MDR-A || G1-3

Prevention and detection of corruption and bribery

Buzzi considers corruption to be a significant obstacle to sustainable development, economic growth and free competition. This is why it prohibits and does not tolerate any form of corruption.
The Code of Conduct prohibits all recipients to give, offer, promise, receive, accept, request or solicit - directly or through an intermediary - money or anything of value in order to obtain an unfair advantage for oneself, for their relatives, for third parties or for the group, regardless of whether the beneficiary

of such an act of corruption is a public official or a private entity.
The methods of communication and dissemination of the Code are described in the previous chapter ("Policies on business culture and business conduct").
In addition, in order to harmonize the measures against corruption detailed in the previous chapter in the various countries where the group operates, the parent company has issued:

- the "*Guidelines for Customer Loyalty Measures and Gifts Management*" with the purpose of defining uniform rules, for all employees of the group, for the acceptance and offer of customer loyalty measures and gifts.
- the "*Guidelines for anticorruption training*" for organization of training courses for executive directors, managers and workers operating in areas at risk of corruption.

The parent company drafted, in 2024, a new Anti-Corruption Code. The document was approved by the Board of Directors of Buzzi SpA on 7 February 2025.
During 2025, the Italian and foreign subsidiaries will implement it through a resolution of their respective Boards of Directors (or the corresponding administrative body, if the subsidiary's governance does not include such a body).
The Code defines the anti-corruption principles and the behavioral standards its recipients are required to follow. It also identifies roles, responsibilities and safeguards for managing and mitigating risk.
With reference to Buzzi's activities, the following areas have been identified as potentially more susceptible to corruption risk, even in an abstract sense: relations with the Public Authorities; relationships with suppliers, professionals, consultants, customers; management of litigations; commercial promotion assignments; donations and relations with local communities; political contributions; gifts, presents and representation expenses; human resources management; accounting and financial flow management; extraordinary operations; conflicts of interest.
In order to promote knowledge of the principles contained in the Anti-Corruption Code among all those to whom it applies, a periodic training activity tailored, with varying degrees of depth, according to the recipients' roles and their different levels of involvement in activities that are sensitive to corruption risk is provided. This training activity must be carried out at least every two years and covers functions in the areas identified at risk. In addition, the Code is posted on the company website and intranet and will be delivered to new hires at the time of employment.

The local Internal Audit functions verify compliance with the measures adopted by the Company to prevent corruption and promptly report any anomalies found to management (as described in the chapter "Policies on business culture and business conduct").

|| G1-4

Incidents of corruption or bribery

In 2024, as part of the activities of the group, no cases of corruption were reported. Similarly, no penalties were reported for violating anti-corruption laws.

|| G1-5

Political influence and lobbying activities

Starting from September 2018, Buzzi became a member of the Global Cement and Concrete Association (GCCA). The Association, founded in London in 2018, comprise 44 leading companies in the production of cement and concrete, which represent 80% of global production (excluding China). One of GCCA goals is to favor interaction with institutions at an international level and with the most significant stakeholders so that cement and concrete are recognized as compatible with sustainable development.
Buzzi is a member of CEMBUREAU, the Brussels-based organization representing the cement industry in Europe. The association acts as a representative for the cement industry and brings to the attention of the European Union issues relating to the use of raw materials and secondary fuels, environmental

protection, emissions, biodiversity and occupational health and safety.
At the local level, the group takes part in trade associations such as: Associazione Italiana Tecnico Economica del Cemento (AITEC) which in turn is part of Federbeton (Confindustria), the sector federation of the associations of the cement and concrete industry; Concrete Europe; Verein Deutscher Zementwerke (VDZ); Portland Cement Association (PCA); Cámara Nacional del Cemento (CANACEM); European Ready Mixed Concrete Organization (ERMCO). The company is not registered in the EU Transparency Register.

Within our administrative, management and supervisory bodies, 3 members hold a comparable position in publicly owned companies and/or in public administrations. No other member of the administrative, management or supervisory bodies currently holds or has held positions in the public administration in the last two years of their office.

SAB-Bank headquarter, Leipzig, Germany

ATTESTATION OF THE CONSOLIDATED SUSTAINABILITY STATEMENT PURSUANT TO ART. 81 TER, PAR. 1, OF CONSOB REGULATION NO.11971 OF 14 MAY 1999 AS AMENDED

The undersigned Pietro Buzzi, as Chief Executive Officer, and Massimo Paris, as Manager specifically appointed for the certification of the Sustainability reporting of Buzzi SpA certify, pursuant to the provisions of article 154-bis, paragraph 5-ter, of Legislative Decree no. 58 of 24 February 1998, that the sustainability report included in the review of operations has been drawn up:

a) in accordance with the *Standards* pursuant to Directive 2013/34/EU of the European Parliament and Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024;

b) with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and Council of 18 June 2020.

Casale Monferrato, 28 March 2025

Chief Executive Officer	Manager specifically appointed of the certification of the Sustainability reporting
Pietro BUZZI	**Massimo PARIS**

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT

Independent auditor's limited assurance report on the consolidated sustainability statement

in accordance with article 14-bis of Legislative Decree No. 39 of 27 January 2010

To the Shareholders of
Buzzi SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree No. 125 of 6 September 2024 (hereinafter also the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of the Buzzi Group (hereinafter also the "Group") for the year ended 31 December 2024 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated review of operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Buzzi Group for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE (*European Sustainability Reporting Standards*, hereinafter also the "ESRS");
- the information set out in paragraph "Taxonomy" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) No. 852 of 18 June 2020 (hereinafter also the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this Standard are further described in the *Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement* section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability reporting under Italian law.

PricewaterhouseCoopers SpA

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Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Other matters- comparative information

The consolidated sustainability statement for the year ended 31 December 2024 contains, in the specific section “Taxonomy”, the comparative information referred to in article 8 of the Taxonomy Regulation in relation to the year ended 31 December 2023, which was not subjected to any assurance procedures.

Responsibilities of the directors and the board of statutory auditors of Buzzi SpA for the consolidated sustainability statement

The directors are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability statement in accordance with the provisions of the ESRS (hereinafter the “materiality assessment process”) and for describing those procedures in the paragraph “Management of impacts, risks and opportunities”, sub-paragraph IRO-1 “Description of the processes to identify and assess material impacts, risks and opportunities” of the consolidated sustainability statement.

The directors are also responsible for preparing the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph “Taxonomy”.

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

For the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the consolidated sustainability statement, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

The disclosure about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise;
- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Directing, supervising and performing a limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Buzzi SpA responsible for the preparation of the information presented in the consolidated sustainability statement, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;
- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability statement;
- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process;
- We identified the disclosures where a material misstatement is likely to arise;
- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified;
- We understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability statement;
- We reconciled the information reported in the consolidated sustainability statement with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;
- We verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS;
- We obtained management's representation letter.

Turin, 14 April 2025

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

This report has been translated from the Italian original solely for the convenience of international readers.

Consolidated Financial Statement

CONSOLIDATED INCOME STATEMENT

(thousands of euro)	Note	2024	2023
Net sales	7	**4,313,037**	**4,317,489**
Changes in inventories of finished goods and work in progress		12,464	50,372
Other operating income	8	54,095	57,467
Raw materials, supplies and consumables	9	(1,504,163)	(1,620,437)
Services	10	(905,240)	(886,919)
Staff costs	11	(623,294)	(589,300)
Other operating expenses	12	(70,750)	(85,457)
EBITDA		**1,276,149**	**1,243,215**
Depreciation and amortization	13	(272,339)	(248,237)
Impairment charges	13	(1,907)	(10,188)
Operating profit (EBIT)		**1,001,903**	**984,790**
Equity in earnings of associates and joint ventures	14	147,131	161,236
Gains (Losses) on disposal of investments	15	(130,710)	241
Finance revenues	16	249,242	98,091
Finance costs	16	(174,357)	(103,489)
Profit before tax		**1,093,209**	**1,140,869**
Income tax expense	17	(150,737)	(174,056)
Profit for the year		**942,472**	**966,813**
Attributable to:			
Owners of the company		942,316	966,545
Non-controlling interests		156	268

(euro)			
Earnings per share	18		
basic		5.140	5.221

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(thousands of euro)	Note	2024	2023
Profit for the year		**942,472**	**966,813**
Items that will not be reclassified to profit or loss			
Actuarial gains (losses) on post-employment benefits	38	21,465	(14,801)
Fair value changes of equity investments	24	51	506
Income tax relating to items that will not be reclassified		(4,456)	4,007
Total items that will not be reclassified to profit or loss		**17,060**	**(10,288)**
Items that may be reclassified subsequently to profit or loss			
Currency translation differences	34	83,496	(172,295)
Exchange differences reclassified to profit or loss	34	223,320	-
Share of currency translation differences of associates and joint ventures valued by the equity method	34	(29,206)	28,502
Total items that may be reclassified subsequently to profit or loss		**277,610**	**(143,793)**
Other comprehensive income for the year, net of tax		**294,670**	**(154,081)**
Total comprehensive income for the year		**1,237,142**	**812,732**
Attributable to:			
Owners of the company		1,236,983	812,471
Non-controlling interests		159	261

CONSOLIDATED BALANCE SHEET

(thousands of euro)	Note	31.12.2024	31.12.2023
Assets			
Non-current assets			
Goodwill	19	872,789	508,836
Other intangible assets	19	132,141	51,890
Right-of-use assets	20	74,318	74,462
Property, plant and equipment	21	3,806,019	3,150,538
Investment property	22	16,841	17,524
Investments in associates and joint ventures	23	467,616	633,603
Equity investments at fair value	24	10,649	10,726
Deferred income tax assets	40	179,944	97,571
Defined benefit plan assets	38	2,787	3,698
Other non-current assets	26	60,542	265,271
		5,623,646	**4,814,119**
Current assets			
Inventories	27	881,904	754,269
Trade receivables	28	585,021	565,610
Other receivables	29	151,954	255,225
Cash and cash equivalents	30	1,410,439	1,120,712
		3,029,318	**2,695,816**
Assets held for sale	31	35,471	105,468
Total Assets		**8,688,435**	**7,615,403**

(thousands of euro)	Note	31.12.2024	31.12.2023
Equity			
Equity attributable to owners of the company			
Share capital	32	123,637	123,637
Share premium	33	458,696	458,696
Other reserves	34	326,883	50,455
Retained earnings	35	5,971,501	5,124,484
Treasury shares		(278,107)	(130,917)
		6,602,610	**5,626,355**
Non-controlling interests	36	3,453	5,673
Total Equity		**6,606,063**	**5,632,028**
Liabilities			
Non-current liabilities			
Long-term debt	37	328,386	338,697
Lease liabilities	20	55,207	56,577
Derivative financial instruments	25	-	4,787
Employee benefits	38	244,550	267,770
Provisions for liabilities and charges	39	94,910	83,820
Deferred income tax liabilities	40	475,769	385,165
Other non-current liabilities	41	4,657	5,009
		1,203,479	**1,141,825**
Current liabilities			
Current portion of long-term debt	37	195,163	265,226
Short-term debt	37	7,214	4,965
Current portion of lease liabilities	20	21,595	19,651
Trade payables	42	337,568	315,729
Income tax payables	43	72,916	64,056
Provisions for liabilities and charges	39	24,326	25,225
Other payables	44	218,554	136,344
		877,336	**831,196**
Liabilities held for sale	31	1,557	10,354
Total Liabilities		**2,082,372**	**1,983,375**
Total Equity and Liabilities		**8,688,435**	**7,615,403**

CONSOLIDATED STATEMENT OF CASH FLOWS

(thousands of euro)	Note	2024	2023
Cash flows from operating activities			
Cash generated from operations	45	1,178,269	1,049,678
Interest paid		(28,460)	(35,668)
Income tax paid		(217,193)	(195,206)
Net cash generated from operating activities		**932,616**	**818,804**
Cash flows from investing activities			
Purchase of intangible assets	19	(3,042)	(5,692)
Purchase of property, plant and equipment	21	(445,371)	(298,012)
Acquisition of subsidiaries, net of cash acquired		(202,922)	-
Purchase of other equity investments	23, 24	(16,257)	(5,815)
Proceeds from sale of property, plant and equipment		14,714	20,370
Proceeds from sale of equity investments		105,410	1,600
Changes in financial receivables		132,454	(153,595)
Dividends received from equity investments	16, 23	89,709	84,663
Interest received		84,963	52,371
Net cash generated from (used in) investing activities		**(240,342)**	**(304,110)**
Cash flows from financing activities			
Proceeds from long-term debt	37, 46	149,526	-
Repayment of long-term debt	37, 46	(272,573)	(595,461)
Net change in short-term debt	37, 46	2,249	(4)
Repayment of lease liabilities	20	(23,025)	(21,426)
Changes in other financial payables	46	(7,404)	(4,226)
Changes in ownership interests without loss of control	46	(604)	(1,586)
Purchase of treasury shares	32	(147,190)	-
Dividends paid to owners of the company	46, 47	(110,961)	(83,309)
Dividends paid to non-controlling interests	46	(121)	(1)
Net cash generated from (used in) financing activities		**(410,103)**	**(706,013)**
Increase (decrease) in cash and cash equivalents		**282,171**	**(191,319)**
Cash and cash equivalents at beginning of year		1,120,712	1,341,488
Currency translation differences		8,468	(29,526)
Change in scope of consolidation		(912)	69
Cash and cash equivalents at end of year	30	**1,410,439**	**1,120,712**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the company							
(thousands of euro)	**Share capital**	**Share premium**	**Other reserves**	**Retained earnings**	**Treasury shares**	**Total**	**Non-con-trolling interests**	**Total Equity**
Balance as at 1 January 2023	**123,637**	**458,696**	**183,290**	**4,271,170**	**(130,917)**	**4,905,876**	**5,581**	**4,911,457**
Profit for the year	**-**	**-**	**-**	**966,545**	**-**	**966,545**	**268**	**966,813**
Other comprehensive income for the year, net of tax	-	-	(143,419)	(10,655)	-	**(154,074)**	(7)	**(154,081)**
Total comprehensive income for the year	**-**	**-**	**(143,419)**	**955,890**	**-**	**812,471**	**261**	**812,732**
Dividends declared	-	-	-	(83,309)	-	**(83,309)**	-	**(83,309)**
Acquisition of non-controlling interests	-	-	-	1,874	-	**1,874**	(162)	**1,712**
Other changes	**-**	**-**	10,584	(21,141)	-	**(10,557)**	(7)	**(10,564)**
Balance as at 31 December 2023	**123,637**	**458,696**	**50,455**	**5,124,484**	**(130,917)**	**5,626,355**	**5,673**	**5,632,028**
Profit for the year	**-**	**-**	**-**	**942,316**	**-**	**942,316**	**156**	**942,472**
Other comprehensive income for the year, net of tax	-	-	277,563	17,104	-	**294,667**	3	**294,670**
Total comprehensive income for the year	**-**	**-**	**277,563**	**959,420**	**-**	**1,236,983**	**159**	**1,237,142**
Dividends declared	-	-	-	(110,961)	-	**(110,961)**	-	**(110,961)**
Acquisition of non-controlling interests	-	-	-	1,101	-	**1,101**	(2,364)	**(1,263)**
Purchase of treasury shares	-	-	-	-	(147,190)	**(147,190)**	-	**(147,190)**
Other changes	-	-	(1,135)	(2,543)	-	**(3,678)**	(15)	**(3,693)**
Balance as at 31 December 2024	**123,637**	**458,696**	**326,883**	**5,971,501**	**(278,107)**	**6,602,610**	**3,453**	**6,606,063**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Buzzi SpA ('the company') and its subsidiaries (together 'the group' or 'Buzzi') manufacture, distribute and sell cement, ready-mix concrete and aggregates. The group has manufacturing plants in several countries, which also represent the natural outlet for its goods and services. The operations are located mainly in Italy, the United States of America, Germany, Luxembourg, the Netherlands, Poland, the Czech Republic and Slovakia, Brazil, Russia and Mexico.

Buzzi is a stock corporation organized under the laws of Italy. The registered and administrative office is located in Casale Monferrato (AL), Italy, Via Luigi Buzzi 6. The company is listed on Euronext Milan market managed by Borsa Italiana.

Buzzi SpA is controlled by Fimedi SpA, which directly and indirectly, through its subsidiary Presa SpA, owns 52.95% of the shares with voting rights.

These consolidated financial statements were authorized for issue by the board of directors on 28 March 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of Buzzi SpA have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission and with the provisions implementing article 9 of Legislative Decree no. 38/2005. The definition of IFRS also encompasses all valid International Accounting Standards (IAS) as well as all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), including those formerly issued by the Standing Interpretations Committee (SIC).
The consolidated financial statements have been prepared under the historical cost convention, which has been amended, as requested, for the evaluation of financial assets/liabilities at fair value, including derivative instruments, as well as on the going concern basis.

The analysis of financial risks (note 3) and environmental risks (General Information, SBM-3, Sustainability Consolidated Statement), did not reveal any issues on the going concern.

The financial statements are presented in euro and all amounts have been rounded off to the nearest thousand euro, unless otherwise stated. The format of the financial statements selected by Buzzi is the following: for the income statement application of the nature of expense method and presentation of two separate schemes, i.e. a traditional income statement and a statement of comprehensive income; for the balance sheet implementation of the current/non-current classification, which is generally applied by industrial and commercial firms; for the statement of cash flows adoption of the indirect method. Where necessary, comparability of content entails a restatement of the prior year amounts. The items presented in these consolidated financial statements have been somewhat adjusted and integrated compared with those previously published, to give a better representation of the financial position and economic performance of the group.

In the notes to these consolidated financial statements, the effects resulting from the first full consolidation of Nacional Cimentos Participações SA are disclosed – where significant – unless explicitly presented under changes in the scope of consolidation in the movement tables. Refer to note 51 for details of the net assets acquired.

The company does not show in the income statement, balance sheet and cash flow statement the amount of balances with related parties, separately by line item (pursuant to Consob resolution no. 15519 of 27 July 2006). This indication would not be significant for the representation of the financial and economic position of the group; transactions with related parties are disclosed in note 50 of these consolidated financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

Standards, amendments and interpretations adopted in 2024
The following standards, amendments and interpretations are not relevant for the group and/or have had no impact on the consolidated financial statements presented herein:

- IAS 1 Presentation of financial statements (amendments): classification of liabilities as current or non-current (the effective date has been postponed to 1 January 2024) and related amendments on the deferral of effective date. The amendments clarify whether to classify payables and other liabilities with an uncertain due date as current or non-current. They are not expected to have a significant impact on the financial statements.

- IFRS 16 Leasing (amendments): liability in a sale and leaseback (effective from 1 January 2024). It clarifies the accounting of sale and subsequent lease back.

- IAS 1 Presentation of Financial Statements (amendments): Non-current Liabilities with Covenants (effective from 1 January 2024). The amendment improves the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants.

- IAS 7 Statement of Cash Flows and IFRS 7 Disclosures about Financial Instruments (amendments): Loan Arrangements with Suppliers (effective from 1 January 2024). The amendments aim to improve disclosures about supplier financing exposures by integrating qualitative and quantitative disclosure requirements and 'signaling' for companies' financing transactions and exposures to suppliers.

Standards, amendments and interpretations that are not yet effective and have not been early adopted

- IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures (amendments): sale or contribution of assets between an investor and its associates or joint ventures. A full gain (or loss) is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary. At the date of this report the European Union has deferred indefinitely the endorsement process required for the amendment to become effective and since which date.

- IAS 21 The Effects of Changes in Foreign Exchange Rates (amendments): Absence of convertibility (effective from 1 January 2025). The amendments specify when a currency is exchangeable and, if not, how to determine the exchange rate.

- IFRS 9 and IFRS 7 Amendments to the classification and measurement requirements of financial instruments (amendments effective from 1 January 2026): These amendments address the issues identified during the post-implementation review of the classification and measurement requirements of IFRS 9 "Financial Instruments". As of the date of this financial statement, the competent authorities of the European Union have not completed the endorsement process required for the application of the amendment and its effective date.

- IFRS 18 Presentation and Disclosure of Financial Statements (effective from 1 January 2027): This amendment includes requirements for all companies applying IFRS regarding the presentation and disclosure of financial statements. As of the date of these financial statements, the competent authorities of the European Union have not completed the endorsement process required for the application of the amendment and its effective date.

- IFRS 19 Non-Publicly Accountable Subsidiaries (effective from 1 January 2027): This amendment specifies the reduced disclosure obligations that a company may apply instead of the disclosure requirements provided by other IFRS standards. As of the date of these financial statements, the competent authorities of the European Union have not completed the endorsement process required for the application of the amendment and its effective date.

- Amendments to IFRS 9 and IFRS 7 (amendments effective from 1 January 2026): These amendments clarify the requirements for the "own use" exemption and introduce new financial disclosure obligations for IFRS 7 and IFRS 19. As of the date of these financial statements, the competent authorities of the European Union have not completed the endorsement process required for the application of the amendment and its effective date.

- Annual Amendments to Accounting Standards IFRS Volume 11 (amendments effective from 1 January 2026): it includes a number of amendments to five international accounting standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7), aimed at improving the clarity and consistency of accounting standards. As of the date of these financial statements, the competent authorities of the European Union have not completed the endorsement process required for the application of the amendment and its effective date.

Any impacts resulting from the application of these new standards/amendments are being assessed.

2.2 Consolidation

Subsidiaries
These are all entities (including special purpose entities) over which the group has control, meaning is exposed to, or has rights to, variable returns from its involvement with the entity and as the ability to affect those returns through its power over the same entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Intercompany receivables and payables, costs and revenues are eliminated. Significant profits and losses resulting from transactions between consolidated companies and not yet realized with third parties are also eliminated. Dividends distributed within the group are eliminated from the consolidated income statement. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with those adopted by the group.
Subsidiaries either dormant or immaterial, both from an investment point of view and in terms of their net equity and results, are not consolidated and are valued at fair value through other comprehensive income. When no business plan is available, the valuation at book value of equity is considered to be the closest approximation of the fair value.

Changes in ownership interests in subsidiaries
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is as transactions with the owners in their capacity as owners.

The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity as long as control continues to exist.
When the group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related

assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to the income statement.
Non-controlling interests in fully consolidated partnerships are included in Other non-current liabilities.

Joint arrangements
Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Buzzi has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Buzzi and its equal partner Molins each hold a 33.33% stake in Corporación Moctezuma, SAB de CV and, based on the shareholder agreements signed, they exercise joint control over the company, which is therefore accounted for as a jointly controlled entity.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the group’s share of the post-acquisition profits or losses and changes in other comprehensive income. Dividends received reduce the carrying amount of the investment. When the group’s share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any unsecured long-term interests), the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures. Unrealized gains on transactions between the group and its joint ventures are eliminated to the extent of the group’s interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the entire carrying amount of the investment is tested for impairment as a single asset, that is goodwill is not tested separately.

Accounting policies of the joint ventures are adjusted, where necessary, to ensure consistency with the policies adopted by the group.

Associates
Associates are entities over which the group has significant influence but not control or joint control. Generally, a holding of between 20% and 50% of the voting rights indicates significant influence.

Buzzi owns 60% of the company Hinfra Srl; however, based on the shareholders' agreements and on the veto rights of the minority shareholder, it does not have control and the company is therefore accounted for as an associate, applying the equity method.

Investments in associates are usually valued by the equity method, that is the initial carrying amount of the investment is increased or decreased at each reporting date to reflect the investor’s share of the associate’s net profit or loss, including components of the statement of comprehensive income. Dividends received reduce the carrying amount of the investment. The investment in associates includes goodwill identified on acquisition.

The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the entire carrying amount of the investment is tested for impairment as a single asset, that is goodwill is not tested separately.

Accounting policies of associates are adjusted, where necessary, to ensure consistency with those adopted by the group.

Investments in other companies

Other corporations or partnerships, normally not listed companies below 20% ownership, are carried at fair value through other comprehensive income, when this can be reliably determined. When no business plan is available, the valuation at book value of equity is considered to be the closest approximation of the fair value. The profits and losses deriving from the changes in the fair value are charged directly to the other components of the statement of comprehensive income.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors. Buzzi's segments are organized based on the geographical areas of operations, featuring similar types of products and services from which revenues are earned.

2.4 Foreign currency translation

Items included in the financial statements of each consolidated entity are measured using the functional currency of the primary economic environment in which the entity operates.

Transactions in foreign currency are translated into the functional currency using the exchange rate prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in the income statement. Monetary assets, monetary liabilities, derivative contracts denominated in foreign currencies are translated at the exchange rate ruling at the end of the year. Positive and/or negative differences between the amounts translated at the year-end exchange rate and those recorded at the date of the transactions are also booked to the income statement.
The gain or loss arising on translation of non-monetary items is treated in line with the recognition of the gain or loss on the change in fair value of such items (i.e. currency translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are recognized, respectively, in other comprehensive income or profit or loss).

The translation of financial statements denominated in foreign currencies is done at the current rate method. Such method entails translating assets and liabilities at the rates of exchange ruling at the balance sheet date; income statement and cash flows figures are translated at the average exchange rates for the year. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. The difference that arises from converting the balance sheet and the income statement at different exchange rates is also booked to other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

The results and financial position of all the group entities that have a functional currency different from the presentation currency have been translated using the following exchange rates:

	Year-end		Average	
(euro 1 = Currency)	**2024**	**2023**	**2024**	**2023**
US Dollar	1.0389	1.1050	1.0824	1.0813
Czech Koruna	25.1850	24.7240	25.1198	24.0043
Ukrainian Hryvnia*	n.a.	41.9960	43.2305	39.5400
Russian Ruble**	118.1839	99.3530	100.4122	92.4606
Polish Zloty	4.2750	4.3395	4.3058	4.5420
Hungarian Forint	411.3500	382.8000	395.3039	381.8527
Brazilian Real***	6.4253	5.3618	6.2198	5.4010
Mexican Peso	21.5504	18.7231	19.8314	19.1830
Algerian Dinar	140.8920	148.2657	145.0997	146.9354

*The average exchange rate refers to the period from January to September 2024
** Source: Bloomberg
*** The average exchange rate refers to the period from October to December 2024

2.5 Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. The group is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

When a contract includes a variable amount of consideration, the amount of consideration to which the group will be entitled, in exchange for transferring the goods to the customer, is estimated on the basis of the agreed discounts and premiums. The amount of the discounts is determined at the time of the agreement with the customer: usually a discount is offered to customers against delivery of significant quantities. Volume rebates are booked on an accrual basis and classified as a reduction of trade receivables or as other payables when they are settled in a separate transaction with the customer. Any other variable component (penalties and surcharges) is accounted for directly in the invoice upon delivery.

A trade receivable represents the group’s unconditional right to an amount of consideration in exchange for goods or services transferred to the customer.

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the group performs under the contract, they are not shown separately in the balance sheet but are classified under other payables.

2.6 Finance revenues

Interest income is recognized on a time-proportion basis, using the effective interest method. Dividend income from equity investments that are not consolidated is recognized when the right to receive payment is established. The line item includes, among other things, the remeasurement at fair value of an investment resulting from a step acquisition.

2.7 Finance costs

They include interest and other costs, such as amortization of premiums or discounts, amortization of ancillary costs incurred in the arrangement of borrowings, finance charges on leases. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, one that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets and, therefore, are capitalized until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

2.8 Intangible assets

Intangible assets, acquired externally or internally generated, are recognized only if they are identifiable, controlled by the company and able to produce future economic benefit. Intangible assets with definite useful life are booked at the purchase or production cost and amortized on a straight-line basis over their useful lives. Intangible assets with indefinite useful life are not amortized but tested for impairment at least annually and whenever there is an indication of a potential impairment loss.

Goodwill represents the excess of the consideration transferred over the group's interest in the fair value of the net identifiable assets acquired and the fair value of the non-controlling interest in the acquiree. Goodwill is carried at cost less accumulated impairment losses. Goodwill is not amortized and its recoverable amount is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill is allocated to those cash-generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

Separately acquired trademarks and licenses are capitalized on the basis of the costs incurred. Trademarks, licenses and customers lists acquired in a business combination are recognized at fair value at the acquisition date. Trademarks and licenses have a finite useful life and are amortized using the straight-line method over their estimated useful lives.
Customer lists are amortized using the estimated client churn rate, over a period anyway not exceeding twenty years.

Acquired computer software licenses are capitalized based on the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of five years. Costs associated with developing or maintaining computer software are recognized as an expense as incurred.

Development costs are capitalized only if and when demonstration of their ability to generate future economic benefits has been established.

Mining rights are amortized in the ratio of quarried volumes to available mineral reserves under concession.

2.9 Leases

Lease contracts relate essentially to land, buildings, plant and machinery, vehicles and other equipment. The contract terms are usually negotiated by assets category and contain a wide range of specifications and different conditions.

Leases are recognized in the balance sheet as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. The expenses arising from leases are split between depreciation and finance charges.

Right-of-use assets

They are accounted for at cost, which includes the following:

- initial amount of the lease liability;
- any lease payments made on or before the lease commencement date less incentives received;
- any initial cost directly attributable to the contract;
- restoration costs.

Right-of-use assets are generally depreciated on a straight-line basis over the shorter of the useful life of the asset and the term of the lease. Some leases contain extension and termination options, in most cases exercisable only by the group and not by the respective lessor. If, at the end of the lease contract, ownership of the leased asset is to be transferred or if the cost of the asset subject to the right of use already includes a purchase option, depreciation is calculated on the basis of the expected useful life of the asset.
Right-of-use assets are tested for impairment (note 2.11).

Lease liabilities

Lease liabilities are measured at the present value of future lease payments, discounted at the lessee's incremental borrowing rate (IBR) as the implicit interest rate of the lease is not readily determinable. The marginal rate at the reporting date is calculated considering the terms of the lease, geography and group-specific rates. Subsequent to the date of initial recognition, the amount of lease liabilities is increased to take into account the interest accrued and reduced for the lease payments made. Moreover, the book value is remeasured if there is a change in the duration of the lease contract or in the rents.

Lease liabilities include the net present value of the following payments:

- fixed payments, less any lease incentives;
- variable payments that are based on an index or a rate, therefore determinable at the commencement date;
- amounts that the lessee expects to pay as a guarantee on the residual value of the underlying asset;
- exercise price of a purchase option, if the group is reasonably certain to exercise it;
- penalties for termination, if the lease terms reflect the group exercising that option.

Lease payments are allocated between principal and finance costs. The latter are charged to the income statement over the lease period, so as to produce a constant periodic interest rate on the remaining balance of the liability for each year.
The repayment of the financial liability is classified in the cash flow statement within cash flows generated by financing activities, while the portion of interest paid is considered within cash flows from operating activities.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Services
The group applies the exemptions that allow the exclusion of short-term leases and leases for which the underlying asset is less than €5 thousand. These costs are accounted for as services, under the caption operating leases of property and machinery.

Expenses of lease contracts linked to operating parameters (for instance: production quantities, kilometers travelled) are as well charged to the income statement in the period in which the conditions determining their existence occur.

2.10 Property, plant and equipment

They are booked at purchase or production cost, including overheads, less accumulated depreciation and any accumulated impairment losses. Production cost includes the reasonably attributable portion of the direct and indirect costs incurred to bring the asset into service. Subsequent costs are capitalized or recognized as a separate asset, as appropriate, only when future economic benefits will flow to the group. The carrying amount of the replaced part is derecognized. Repairs and maintenance are charged to the income statement during the period in which they are incurred; the most relevant strategic spare parts are capitalized when acquired and their depreciation starts when being brought into service.
Property, plant and equipment include raw material reserves (quarries), carried at cost in accordance with IFRS 6 Exploration for and evaluation of mineral resources. They are depleted in the ratio of the quarried material during the period to extractable minerals. Costs incurred to gain access to raw materials deposits (stripping costs) are capitalized and depreciated using the units of production method over the expected useful life of the identified component of the ore body that becomes accessible as a result of the stripping activity.

Depreciation on other property, plant and equipment is calculated under the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives, as follows:

Buildings	10 - 40 years
Plant and machinery	5 - 20 years
Transportation equipment	3 - 14 years
Furniture, fittings and others	3 - 20 years

An asset’s carrying amount is written down to its recoverable amount if the book value is greater than its estimated recoverable amount.

2.11 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets in progress and those subject to amortization, included right-of-use assets, are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When it is not possible to determine the recoverable amount of a single item, the group tests the recoverable value of the cash-generating unit to which the asset belongs.

Where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written-down to their recoverable amount and the impairment loss is charged to income statement. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows expected to be derived through the continued use of an asset or cash-generating unit including its eventual disposal. Cash flows are based on budgets and reasonable and documented assumptions on the future company's results and macro-economic conditions. The discount rate takes into account the specific risks of industry and countries.

If there is an indication that an impairment loss recognized in prior years on an asset other than goodwill may have decreased, the impairment write-down is reversed. After reversal, the carrying amount of the asset shall not exceed the carrying amount that would have been determined (net of depreciation and amortization), had the impairment loss not been recognized.

2.12 Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

2.13 Financial assets

The group classifies its financial assets in the following categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the group applies the practical expedient if the expected term is less than one year, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient are measured at the transaction price.

The group's business model for managing financial assets determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. For purposes of subsequent measurement, financial assets are classified in the categories at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss.

The group measures financial assets at amortized cost if both of the following conditions are met:

- the asset is held within a business model whose objective is to collect contractual cash flows;
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The financial assets at amortized cost include loans to non-consolidated companies, loans to third parties or to customers and are included under other current and non-current receivables.

Financial assets at fair value through other comprehensive income (equity instruments)

Upon initial recognition, the group can elect to designate irrevocably its equity investments at fair value through other comprehensive income, when they are not held for trading. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized in the statement of profit or loss when the right of payment has been established. The group classified in this category equity investments in non-consolidated subsidiaries.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. The group mainly classifies in this category derivative financial instruments, investment entrusted to asset management firms and trust agreements in connection with retirement obligations in the United States.

Impairment of financial assets

The group recognizes an allowance for expected credit losses (ECLs) for financial assets at amortized cost. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. Expected credit losses are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, an allowance is provided for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure.

For financial assets at fair value through other comprehensive income, the group applies the low credit risk simplification; at every reporting date, the group evaluates whether the financial asset is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort.

2.14 Derivative financial instruments

The group, if necessary, makes use of derivative contracts for hedging purposes, to reduce currency, interest rate and market price risks.

Derivative financial instruments are initially recognized and subsequently measured in the balance sheet at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as hedging instrument and, if so, the nature of the item being hedged.

2.15 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. The cost includes all expenditures incurred in acquiring the inventories and bringing them to their present location and condition. In the case of finished goods and work in progress, cost comprises direct materials, direct labor, other direct costs and attributable production overhead based on normal operating capacity; it excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable selling expenses.

As for emission rights, the accounting method followed provides not to value as assets the emission allowances granted free of charge and to recognize only the effects of transactions involving the purchase and/or sale of emission rights. Emission rights acquired against payment and not yet returned are stated at the lower of cost and net realizable value, which matches the market price at the balance sheet date.

2.16 Trade receivables and payables

Trade receivables represent the group's unconditional right to an amount of consideration in exchange for goods sold and services performed in the ordinary course of business. They are recognized at the transaction price, less provision for impairment. To assess the impairment provision, the group applies the simplified approach in calculating expected credit losses. Therefore, it uses a provision matrix that is based on the historical observed default rates, as well as on past due receivables, adjusted by specific predictors on the counterparty risk, type of product and geographical area.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognized at transaction cost that, given the short-term maturity, approximates their fair value.

2.17 Cash and cash equivalents

They include cash on hand, deposits held at call with banks, money market securities and other liquid investments with original maturities of three months or less, which are readily convertible to a known amount of cash and are subject to a very low risk of change in value.

2.18 Treasury shares

When the parent or its subsidiaries purchase the company's share capital, the consideration paid is deducted from equity attributable to owners of the company until the shares are cancelled or disposed of. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of treasury shares. Where such shares are subsequently reissued, the consideration received, net of the related income tax effects, is recognized in equity attributable to owners of the company.

2.19 Debt and borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred, and subsequently carried at amortized cost using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement for at least twelve months after the balance sheet date.

2.20 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement except to the extent that it relates to items of other comprehensive income or directly in equity. In this case the related income tax effect is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the group operates and generates taxable income. The tax rates applied vary according to the jurisdiction and fiscal situation of each consolidated company. Income tax payables for the period are credited to current liabilities. Significant judgment is required in determining the consolidated provision for income taxes.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes liabilities where appropriate on the basis of amounts expected to be paid to the tax authorities. Some Italian companies are members of a controlled group of corporations for domestic income tax purposes, with Fimedi SpA (controlling shareholder of the group) acting as the parent.

Deferred income tax is provided in full using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amount in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill and deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets on tax loss carryforwards and timing differences are recognized to the extent that it is probable that future taxable profit will be available against which they can be utilized. Deferred income tax assets are provided on temporary differences arising from investments in subsidiaries, associates and joint arrangements, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Current tax assets and current tax liabilities are offset only if the entity has the legal right and the intention to settle on a net basis. Deferred income tax assets and deferred income tax liabilities are offset when the entity has the legal right to settle on a net basis and when they are levied by the same taxation authority on the same taxable entity or different taxable entities that intend to realize the asset and settle the liability at the same time.

2.21 Employee benefits

Employee benefits include:

Short-term employee benefits, expected to be settled within twelve months (wages, salaries and social security contributions, allowance in lieu of holidays and sick leave, incentive plans and non-monetary benefits)

Post-employment benefits, such as pensions or lump sum payments upon retirement, as well as other post-employment benefits, such as life insurance and healthcare:

Pension plans
Within the framework of post-employment benefits, the companies of the group operate several defined benefit and/or defined contribution pension schemes.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually as a function of one or more factors such as age, years of service and compensation. The liability in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. Independent actuaries calculate the defined benefit obligation and the service cost annually, using the projected unit credit method. In determining the appropriate discount rate, the group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates of government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. If the calculation of the balance sheet amount results in an asset, the amount recognized is limited to the present value of economic benefits available in the form of refunds or reductions in future contributions to the plan. The expense related to the discounting of pension liabilities for defined benefit plans are reported separately within finance costs. All other expenses associated with pension plans are allocated to staff costs.

A defined contribution plan is a pension plan under which a company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis, and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all accrued benefits. The contributions are recognized as employees render their services and are included in staff costs.

The Italian employee severance indemnities (TFR) was classified as a defined benefit plan for those benefits accrued up to 31 December 2006, while after that date the scheme is classified as a defined contribution plan.

Other post-employment benefits
Life insurance and health coverage plans are considered defined benefit programs. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as for defined benefit pension plans.

Other long-term benefits, typically consisting of amounts paid upon attaining a specific seniority and deferred compensation plans.

2.22 Provisions for liabilities and charges

They are liabilities of uncertain timing or amount. A provision is recognized when the group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. Amounts provided for are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Restructuring provisions are recognized in the period in which the company formally defines the plan and creates a valid expectation in the interested parties that the restructuring will occur.

Provisions are measured on a present value basis where the effect of discounting is material. The increase in the provision due to passage of time is recognized as interest expense.

As far as emission rights are concerned, the accounting method followed is to recognize a provision only when emissions exceed the allocated allowances, and the deficit will have to be remedied by purchasing the rights on the market.

2.23 Dividend distribution

Dividend distribution is recorded as a liability in the financial statements of the period in which the dividends are approved by the company’s shareholders. Disclosure of dividends proposed but not formally approved for payment is made in the notes.

3. RISK MANAGEMENT

3.1 Financial risk factors

The group's activities are exposed to a variety of financial risks such as market risk (including currency, price and interest rate), credit risk and liquidity risk. The group uses, infrequently, derivative financial instruments to hedge certain risk exposures. The central treasury and finance department carries out risk management and identifies, evaluates and possibly hedges financial risks in close co-operation with the group's operating units.
The geopolitical scenario did not determine any negative effects on the group's liquidity or changes in financial risk management.
In 2024, in order to stimulate the economy which was showing signs of weakness in the Eurozone and the United States, both the ECB and the FED started reducing interest rates, with a positive impact on capital markets.

Market risk

Buzzi operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the Brazilian real. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. The foreign subsidiaries or joint ventures enjoy a natural hedging on market risk, since all major commercial transactions are made in their functional currency and are not suffering from the foreign exchange fluctuations. Management has introduced a policy to require the group entities to control their residual exposure to exchange rate risk, by using mainly debt instruments or cash in foreign currency, or even derivative contracts negotiated at the company level, such as, for example, currency forwards transacted according to the existing internal policies. The policy considers a hedge for the anticipated cash flows of a significant amount and that are denominated in highly volatile currencies.

The net investment in foreign operations as well as their operating and net result are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the group's foreign operations is managed partially through borrowings denominated in the relevant foreign currency.

The recognition of exchange rate risks concerning the financial instruments to which IFRS 7 is applicable shows the following net exposure to foreign currencies:

(thousands of euro)	2024	2023
Euro	(9,217)	(47,399)
US Dollar	(389,192)	(188,563)
Brazilian Real	393,999	-
Norvegian Koruna	-	(77)
Russian Ruble	1,845	-
Renminbi China (Yuan)	(1,485)	(122)
Polish Zloty	694	1,313
Ukrainian Hryvnia	-	8
Czech Koruna	(71)	(110)

Hereinafter are the results of the sensitivity analysis that was conducted considering a revaluation/devaluation of the euro versus the currencies to which the group has a significant exposure, with a direct 10% effect on the net exposure in euros reported in the table above. The potential impact on profit before tax is therefore considered, keeping unchanged all other financial statement items that are not affected by the assumed variance.

At 31 December 2024, with reference to the net exposure in euro reported above, if the euro had strengthened/weakened by 10%, against the major foreign currencies to which Buzzi is exposed, profit before tax for the year would have been €579 thousand lower/higher (2023: €18,763 thousand higher/lower). Profit for the year is especially sensitive to the euro/dollar and euro/brazilian real exchange rates.

Net debt exposure to the dollar reports a significant increase, mainly related to the first consolidation of the Brazilian subsidiaries, which benefit from a loan granted by the parent company denominated in dollars. In addition, intercompany loans from the US subsidiaries to the parent company Buzzi SpA are still active. The credit exposure to the real, on the other hand, is due to other loans granted by the parent company to Brazilian subsidiaries (consolidated line by line for the first time).
Buzzi has a very limited exposure to the price risks of equity securities because the investments in non-consolidated companies at fair value represent less than 0.1% of total assets. The group is exposed to commodity price risk, in particular to the trend of oil, cost of fuels, electricity, logistics services and CO_2 emission rights. To cope with this risk the group diversifies its sources of procurement by fixing, if possible and economically reasonable, the supply conditions over a sufficiently long-time frame, sometimes greater than one year, at a level deemed appropriate by the management.

Changes in market interest rates can affect the cost of the various forms of financing or the return on investments in monetary instruments, causing an impact at the level of net finance costs incurred. The interest rate risk arises mainly from long-term debt. Borrowings issued at variable rates expose the group to cash flow interest rate risk, which is partially offset by cash invested at variable rates. Buzzi's policy is to maintain about 70% of its long-term borrowings in fixed rate instruments. By contrast, at the end of 2024, given the changed capital market conditions, the share of indebtedness at fixed rate is lower and stands at 32%. Borrowings at variable rate at the end of 2024, were denominated in euros and reais. Management implements the best strategy about interest rates according to market conditions and, sometimes, the group may enter into derivative financial instruments to hedge the fair value interest rate risk.

Below are the results of the sensitivity analysis on the exposure to interest rates that was conducted considering, as in the previous years, a 1% rate increase and a 1% decrease on the financial assets and liabilities of the various group entities, net of intercompany positions. We consider the potential impact on profit before tax, keeping unchanged all other financial statement items that are not affected by the assumed variance.

The group analyses its interest rate exposure on a dynamic basis, taking into consideration refinancing, renewal of existing positions, alternative financing and possible hedging. Based on the simulations performed, the impact on profit before tax of a 1% interest rate rise or fall would be an increase or a decrease of €8,960 thousand (2023: increase/decrease of €11,332 thousand). For each simulation, the same interest rate change is used for all currencies. The sensitivity scenarios are run only for assets and liabilities that represent the major interest-bearing positions and for the fair value of interest rate derivatives (if actually outstanding at the balance sheet date). At 31 December 2024, if interest rates on euro-denominated financial assets and financial liabilities had been 1% higher/lower with all other variables held constant, profit before tax for the year would have been €1,180 thousand higher/lower (2023: €5,976 thousand higher/lower). These fluctuations are mainly a result of financial debt that is denominated in euros at the parent company level, partly offset by cash and equivalents euro denominated across the group.

At 31 December 2024, if interest rates on cash and equivalents denominated in US dollars at that date had been 1% higher/lower with all other variables held constant, profit before tax for the year would have been €6,184 thousand higher/lower (2023: €4,017 thousand higher/lower), mainly reflecting a higher cash and cash equivalents balance in US dollar compared to the previous year.

Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only primary national and international entities with high credit quality are accepted as counterparts. There are specific policies that limit the amount of credit exposure to any financial institution.

The credit management functions assess the quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilization of credit limits is regularly monitored.

Due to its widespread customer base, typical of the industry, and to active credit management, Buzzi has no significant concentration of credit risk in trade receivables. There are no customers generating revenues equal or greater than 10% of consolidated net sales.

An assessment of the possible losses is carried out at each closing date (note 2.16). The maximum exposure to credit risk at the reporting date is the carrying amount of trade receivables presented in note 28. In some countries there are insurance policies or equivalent instruments to cover that risk.

Set out below is the information about the credit risk exposure arising from trade receivables:

	2024			2023		
(thousands of euro)	Trade receivables (gross)	Loss allowance	% loss coverage	Trade receivables (gross)	Loss allowance	% loss coverage
Not overdue	435,660	(1,869)	0.4%	426,468	(1,701)	0.4%
Days past overdue						
30 or less	98,829	(601)	0.6%	110,034	(741)	0.7%
Between 30 and 60	15,703	(391)	2.5%	12,515	(242)	1.9%
Between 61 and 90	6,949	(335)	4.8%	3,494	(58)	1.7%
Between 91 and 180	12,546	(1,699)	13.5%	6,466	(1,351)	20.9%
Over 180	31,480	(11,251)	35.7%	19,683	(8,957)	45.5%
	601,167	**(16,146)**		**578,660**	**(13,050)**	

The group limits its exposure to credit risk on trade receivables by establishing maximum payment terms in the various countries.
During 2024, the group confirmed its policy to limit exposure to the most risky customers, maintaining a specific use of credit insurance coverage.

Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed and uncommitted credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the central treasury department aims to maintain flexibility in funding by keeping availability under committed credit lines.

Cash flow forecasting is performed in the operating subsidiaries and aggregated by the central treasury department. Group finance monitors rolling forecasts to ensure there is sufficient cash to meet operational needs while maintaining sufficient headroom on the undrawn committed borrowing facilities.

Estimates and projections, considering the changes that may occur in the profitability trend, show that the group is in a position to operate at the present level of financing. Buzzi prepares the refinancing of borrowings in due time before the upcoming maturities. The company uses different debt instruments and maintains a regular relationship with the usual and prospective financing institutions about the future needs, from which it appears that renewal may take place under acceptable terms. The analysis of maturity dates for the main financial liabilities is included within note 37.

3.2 Capital management

Buzzi's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or modify the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, make purchases of treasury shares or sell assets to improve the net financial position.

The capital expenditure program for the group is aligned with the long-term objectives and the operating necessities of different geographical units. The executive directors and key managers prioritize the expenditure requirements that are determined by the divisions. Measures aimed at improving efficiency, capacity expansion or new market entries are subject to in-depth profitability analysis to derive their future contribution to operating income.
Consistent with other players in the industry, which is highly capital intensive, the group monitors capital on the basis of the Gearing ratio and the Leverage ratio. The first indicator is calculated as total liabilities divided by equity. The second ratio uses the net financial position as numerator and the EBITDA figure as shown in the income statement as the divisor.

During 2024 the group confirmed its long-term strategy to maintain a Gearing ratio around 35% and a Leverage ratio that, calculated across an adequate period of time (3-5 years), is no higher than approximately 1.5 times, in line with the solid current and prospective financial profile.

The ratios as at 31 December 2024 and 2023 were as follows:

(thousands of euro)	**2024**	**2023**
Debt [A]	2,082,372	1,983,375
Equity [B]	6,606,063	5,632,028
Gearing [A/B]	**32%**	**35%**
Net financial position [C]	(755,155)	(797,963)
EBITDA [D]	1,276,149	1,243,215
Leverage [C/D]	**(0.59)**	**(0.64)**

3.3 Fair value estimation

Hereunder an analysis of financial instruments carried in the balance sheet at fair value. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the assets and liabilities that are measured at fair value at 31 December 2024:

(thousands of euro)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Other non-current assets	12,164	1,278	-	**13,442**
Equity investments at fair value	-	-	10,649	**10,649**
Total Assets	**12,164**	**1,278**	**10,649**	**24,091**

The following table presents the assets and liabilities that are measured at fair value at 31 December 2023:

(thousands of euro)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Other non-current assets	11,166	1,072	-	**12,238**
Equity investments at fair value	-	-	10,726	**10,726**
Total Assets	**11,166**	**1,072**	**10,726**	**22,964**
Liabilities				
Derivative financial instruments (non-current)	-	-	(4,787)	**(4,787)**
Total Liabilities	**-**	**-**	**(4,787)**	**(4,787)**

During the year there were no transfers between the different levels of fair value measurement. No changes occurred either in the valuation techniques adopted across the two periods.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets is the current bid price. These instruments, when they exist, are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These methods maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required are observable, the instrument is included in level 2. If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

The investments included in the corresponding line item are all booked at fair value through other comprehensive income (OCI) and included in level 3. When a multi-year plan is not available, the valuation at book value of equity is considered as the best approximation of the fair value (note 24).

Level 3 derivatives included in the previous year the put and call option on the remaining 50% share of Nacional Cimentos Participações SA. Since Buzzi acquired the remaining 50% in October, the Brazilian group has been consolidated line-by-line from the acquisition date and the option has expired.

The group holds several financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments (trade receivables less provision for impairment, trade payables, other receivables, other payables) the carrying amount is considered to approximate their fair value. The fair value of long-term financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

3.4 Other risks

Regarding other risks, please refer to the specific chapter in the review of operations.

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions concerning the future that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. By definition the actual results seldom match the estimates, due to possible unexpected changes in the factors affecting their determination.

During 2024, in Italy and in the foreign countries in which the group operates, the macroeconomic situation and geopolitical tensions continued to be a major source of concern for global economic growth. In the last six months, the European Central Bank and the U.S. Federal Reserve have started lowering interest rates to stimulate their respective economies. Inflation has shown signs of slowing down, although it remains at high levels, constituting one of the main risk factors for global economic growth.
Developments in the economic and geopolitical environment have therefore been taken into account in evaluations and for the purposes of estimates of items included in these financial statements. Management has also taken into account topics related to energy transition and climate change, particularly the transition to a low-carbon economy, the effects of which, where present, are reported in the specific financial statement notes concerned.

Further disclosures about Buzzi exposure to risks and uncertainties are provided in the following notes:

- Capital management (note 3.2, consolidated and statutory)
- Financial risk factors (note 3.1, consolidated and statutory)
- Sensitivity analysis (notes 19, 23 and 38, consolidated and note 20, statutory)
- Legal claims and contingencies (note 49)
- Relevant impacts, risks and opportunities and their interaction with the strategy and business model (General Information, SBM-3, Sustainability onsolidated statement)

Impact of climate change

The assessment of risks related to climate change depends heavily on the actions that will, or will not, be taken in the coming decades by the world's governments and the availability of technologies that can support them.
According to the IPCC climate report, the possible scenarios are synthetically represented by the expected value of the planet's average temperature at the end of the century with, at the two extremes, the 1.5°C scenario (maximum commitment to decarbonisation) and the 4.0°C scenario (business as usual).
These possible scenarios outline in one case prevailing transition risks while in the other physical risks. For both, Buzzi carried out the risk assessment based on the TCFD (Task Force on Climate-Related Financial Disclosures) report. The cement industry, through its global association (GCCA), is strongly committed to put in place decarbonization initiatives in line with the 1.5°C scenario and, in particular, to create synergies between future investments in carbon capture and the necessary infrastructures for the transportation, storage or usage of the captured CO_2.
Europe, with the approval of the 'Fit for 55' legislative package, has set itself the goal of achieving climate neutrality by 2050 and cutting, within 2030, the greenhouse gas emissions by at least 55% compared to 1990 values.
The Emission Trading System (ETS), one of the pillars of the 'Fit for 55' package, which limits the amount of CO_2 that various businesses, including the cement sector companies, can emit, will have stricter requirements on free emission rights allowances, which are set to decrease to zero after 2030. Already today, the free allowances allocated to Buzzi production units in EU countries are not sufficient to cover all emissions and therefore the missing rights must be purchased on the market.

The so-called 'carbon leakage', i.e. the situation whereby, following the introduction of environmental policies that increase costs, the production of goods moves to other countries, represents a serious risk for the ‘hard to-abate' industries, including cement.
To contain it, the European Council and Parliament reached an agreement on the proposal for a Carbon Border Adjustment Mechanism (CBAM) in 2022. This system introduces a carbon tax on the imports of certain goods, including cement, the value of which considers the decarbonization efforts put in place in the origin countries.
The new regulation has been applied starting on 1 October 2023, with a transition period until 31 December 2025, in which the obligations for the importers are limited to documentation reporting, without any payments.

In the Consolidated sustainability statement, prepared starting from 2024 in accordance with Legislative Decree 125/2024, which transposes the EU Corporate Sustainability Reporting Directive (CSRD), ample space is given to CO_2 emissions. We believe that the level achieved, and the planned initiatives are compatible with our reduction targets to 2030 and to the achievement of climate neutrality condition in 2050, as described in the 'Our Journey to Net-Zero' roadmap.
As part of the integrated disclosure, with the double materiality assessment process, described in detail in the Consolidated sustainability statement, Buzzi has identified material impacts on the environment and people (Impact materiality) and financial risks and opportunities for the company (Financial materiality) related to sustainability issues.
For the purpose of determining the materiality of risks and opportunities, the factors taken into account are the financial effect of the risk on the company and the probability of occurrence.

More information on impacts, risks and opportunities and how these are managed can be found in the 'General Information' section of the Consolidated sustainability statement.

Management believes that the company's strategies and organization are capable of ensuring the necessary resilience to the stresses arising from the impacts related to the risks and opportunities identified for the purposes of Consolidated sustainability statement, as well as containing the risks and seizing the opportunities, as described in the respective sections of the document, through the implementation, where necessary, of policies, actions and targets.

The risks, physical and transitional, related to climate change, identified for the purpose of Consolidated sustainability statement are as follows:
- increase in extreme weather events, with potential damage to plants and/or reduction in their operations
- failure to achieve decarbonization goals due to external factors and/or technological limitations, with potential added reputational damage
- scarcity of raw materials (natural/alternative) and water
- risks associated with the adoption of regulations to reduce CO_2 emissions outside the EU
- competition with companies producing outside the EU

The above-mentioned risks are considered significant in the long term; however, to date, no material financial impacts have been identified that require recognition in the financial statements. Likewise, based on the information presented, the scenarios considered by management, particularly those related to the recoverability of non-current assets, do not take into account the impacts of risks deemed remote, while they do reflect the estimated investments required to ensure regulatory compliance and achieve the objectives mentioned above.

Estimates and assumptions
Estimates are continually revised according to management's best knowledge of the business and other factors reasonably assumed under the circumstances. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates can have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

- **Impairment of non-financial assets**

The information related to the evaluation of non-financial assets is disclosed in note 2.11. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are explained in detail in note 19 of the consolidated financial statements.

- **Current and deferred income tax**

Significant management judgment is required to determine the amount of income taxes, also based upon the likely timing and the level of future taxable profits, together with tax planning strategies. Tax losses of the group to be carried forward are relevant; they relate to the company and some of its subsidiaries. Annually, each entity with tax loss carryforwards makes an assessment of their future utilization verifying their offset against taxable income expected in the foreseeable future. Further details on taxes are disclosed in notes 17 and 40, consolidated and in notes 14 and 35, statutory.

- **Defined benefit plans (pension plans)**

The cost of the defined benefit pension plan and post-employment medical benefits as well as the present value of the defined benefit pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, salary growth rate, mortality rates and pension growth rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details, including a sensitivity analysis, are provided in note 38, consolidated and in note 33, statutory.

- **Provisions for liabilities and charges**

The provisions result from an estimation process embracing both the use of resources required to settle the obligation and its maturity. The litigations and claims to which the group is exposed are assessed by management with assistance of the internal expertise and with the support of external specialized lawyers. Disclosures related to such provisions, as well as contingent liabilities, also derive from discretionary judgment (note 39, consolidated and note 34, statutory).

- **Fair value measurement of financial instruments**

When the fair value of a financial asset or liability recorded in the balance sheet cannot be measured based on quoted prices in active markets, then it is determined by using various valuation techniques, including the discounted cash flow model. The inputs to these models are taken from observable markets, when possible, but when it is not then a certain degree of judgment is required in assessing the fair value. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in the assumptions relating to these variables could affect the reported fair value of the financial instrument (note 3.3, consolidated and statutory).

- **Business combinations**

Accounting for business combinations means to measure the identifiable assets acquired and the liabilities assumed by the acquirer, as described in note 2.2. Fair value measurement includes a complex estimation process based on historical experience, assumptions based on available information and the facts and circumstances existing at the measurement date, also thanks to the support of external experts.

- **Lease term and marginal financing rate**

Leases may include extension and termination options. In assessing whether or not it is reasonably certain that the option to extend or terminate the lease will be exercised, all relevant factors that create an economic incentive to exercise the option to extend or terminate are considered. After the commencement date, the lease term is reviewed if a significant event or change that affects the ability to exercise or not the option to renew or terminate the lease occurs. The implicit interest rate of a lease is not easily determinable, so the incremental borrowing rate (IBR) is used to ascertain the present value of the rental cost. The latter corresponds to the interest rate that would be paid to borrow, for a similar period of time and with a similar guarantee, the amount required to obtain an asset corresponding to the value of the right of use. The group estimates the IBR using observable inputs such as market interest rates.

5. SCOPE OF CONSOLIDATION

The consolidated financial statements for the year ended at 31 December 2024 include the company and 72 subsidiaries. Excluded from consolidation are 14 subsidiaries that are either dormant or immaterial. For further details, please refer to the list of companies included in the consolidated financial statements and the Equity Investments, provided at the end of this document.

In the first half of 2024, the sale of the subsidiary Beton Du Ried Sas took place (note 15).

On 3 October 2024, the acquisition of the remaining 50% of Nacional Cimentos Participações SA (NCPAR) was completed. This company was the joint venture through which Buzzi has operated in Brazil since 2018. With this purchase, Buzzi obtained 100% control of NCPAR (notes 16 and 51) and its 11 subsidiaries, As of that date, the entire set of Brazilian operations has been consolidated line-by-line (previously valued by the equity method).

On 14 October 2024, Buzzi, through its 100% subsidiary Dyckerhoff GmbH, completed the agreement to sell the following fully owned subsidiaries to CRH (note 15):
• TOB Dyckerhoff Ukraina
• PRAT Dyckerhoff Cement Ukraine
• TOB Dyckerhoff Transport Ukraina

During the year, some other mergers took place within the group, in particular in the Netherlands and Italy, to continue streamlining and simplifying the organizational structure, without any material effect on the consolidated financial statements.

Following the Russia-Ukraine conflict, which led to the imposition of sanctions on Russia by European institutions, since 2022 we have ceased all operational involvement in the business carried out by the subsidiary SLK Cement. However the company continues to be consolidated in accordance with IFRS 10 - Consolidated financial statements.

6. SEGMENT INFORMATION

The chief operating decision-maker identifies with the executive directors, who review the group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on those reports.

The executive directors consider the business by geographical area of operations and from a product perspective they assess in a combined way the performance of "cement" and "ready-mix concrete and aggregates", since the two businesses, vertically integrated, are strictly interdependent. In particular, ready-mix concrete represents essentially a distribution channel for cement and does not require, for the chief operating decision-maker, evidence of separate results. The executive directors assess the performance of the reportable operating segments based, as main reference, on a measure of operating profit. Net finance costs and income tax expense are not included in the result of each operating segment reviewed by the executive directors.

The measurement of economic performance and of capital expenditures by segment is consistent with the one of the financial statements.

The segment named Central Europe consists of Germany, Luxembourg and the Netherlands; Eastern Europe covers Poland, the Czech Republic, Slovakia, Ukraine and Russia.

2024

(thousands of euro)	Italy	United States of America	Central Europe	Eastern Europe*	Brazil**	Unallo-cated items and adjust-ments	Total	Mexico 100%
Segment revenue	818,039	1,726,840	947,033	747,455	85,818	(12,148)	**4,313,037**	998,280
Intersegment revenue	(12,148)	-	-	-	-	12,148	**-**	-
Revenue from external customers	805,891	1,726,840	947,033	747,455	85,818	-	**4,313,037**	998,280
Ebitda	196,601	663,791	178,639	208,845	28,485	(212)	**1,276,149**	445,158
Depreciation	(31,240)	(146,218)	(50,728)	(32,374)	(11,779)	-	**(272,339)**	(36,249)
Impairment charges	(1,876)	-	(129)	74	24	-	**(1,907)**	-
Operating profit (EBIT)	163,485	517,573	127,782	176,545	16,730	(212)	**1,001,903**	408,908
Equity earnings	145,188	-	1,776	167	-	-	**147,131**	-
Purchase of intangible and tangible assets	56,850	210,817	72,892	103,159	4,695	-	**448,413**	84,837
Purchase of equity investments	758	-	16,229	-	202,796	-	**219,783**	-

* data include the first 9 months of the Ukrainian companies
** data refer to the fourth quarter 2024

2023

(thousands of euro)	Italy	United States of America	Central Europe	Eastern Europe	Unallo-cated items and adjust-ments	Total	Mexico 100%	Brazil 100%
Segment revenue	818,257	1,742,689	1,049,000	731,646	(24,103)	**4,317,489**	1,024,983	393,976
Intersegment revenue	(22,756)	-	-	(1,347)	24,103	**-**	**-**	**-**
Revenue from external customers	795,501	1,742,689	1,049,000	730,299	-	**4,317,489**	1,024,983	393,976
Ebitda	175,185	639,100	217,259	212,002	(331)	**1,243,215**	465,533	88,653
Depreciation	(29,026)	(138,089)	(47,657)	(33,464)	-	**(248,237)**	(33,186)	(28,454)
Impairment charges	(9,294)	(583)	(441)	(99)	-	**(10,417)**	-	-
Write-ups	-	-	229	-	-	**229**	-	-
Operating profit (EBIT)	136,865	500,428	169,390	178,439	(331)	**984,790**	432,348	60,198
Equity earnings	153,002	4,384	3,717	133	-	**161,236**	(151)	-
Purchase of intangible and tangible assets	38,171	139,454	72,922	53,157	-	**303,704**	56,823	25,298
Purchase of equity investments	1,816	-	5,585	-	-	**7,401**	-	-

Revenues from external customers are derived from the sale of cement or concrete and aggregates and are detailed as follows:

2024

(thousands of euro)	Italy	United States of America	Central Europe	Eastern Europe*	Brazil**	Total	Mexico 100%
Cement	478,441	1,380,022	545,835	546,284	85,818	**3,036,400**	899,759
Concrete and aggregates	327,450	346,818	401,198	201,171	-	**1,276,637**	98,521
						4,313,037	**998,280**

* data include the first 9 months of the Ukrainian companies
** data refer to the fourth quarter 2024

2023

(thousands of euro)	Italy	United States of America	Central Europe	Eastern Europe	Total	Mexico 100%	Brazil 100%
Cement	472,780	1,411,380	594,968	537,679	**3,016,807**	941,799	393,976
Concrete and aggregates	322,721	331,309	454,032	192,620	**1,300,682**	83,184	-
					4,317,489	**1,024,983**	**393,976**

The group is domiciled in Italy. Revenue from external customers realized in Italy is €749.649 thousand (2023: €736.272 thousand) and total revenue from external customers in foreign countries is € 3,563,388 thousand (2023: €3,581,217 thousand).

The total of non-current assets, other than financial instruments, deferred tax assets and defined benefit plan assets (there are no rights arising under insurance contracts), located in Italy is €588,392 thousand (2023: €1,221,835 thousand), while the total of such non-current assets located in foreign countries is €4,852,523 thousand (2023: €3,491,016 thousand).

As for the dependence degree from major clients, no customers exist generating revenues equal or greater than 10% of Buzzi consolidated net sales.

7. NET SALES

Revenues from contracts with customers derive from goods transferred at a specific time and services, whose breakdown by markets is illustrated below:

	2024		
(thousands of euro)	Cement	Concrete and aggregates	Total
Italy	478,441	327,450	**805,891**
United States of America	1,380,022	346,818	**1,726,840**
Germany	445,111	320,416	**765,527**
Luxembourg and the Netherlands	100,724	80,782	**181,506**
Poland	114,502	59,213	**173,715**
Czech Republic and Slovakia	69,052	139,356	**208,408**
Russia	294,011	-	**294,011**
Ukraine	68,719	2,602	**71,321**
Brazil	85,818	-	**85,818**
	3,036,400	**1,276,637**	**4,313,037**

	2023		
(thousands of euro)	Cement	Concrete and aggregates	Total
Italy	472,780	322,721	**795,501**
United States of America	1,411,380	331,309	**1,742,689**
Germany	490,803	346,011	**836,814**
Luxembourg and the Netherlands	104,165	108,021	**212,186**
Poland	107,630	47,735	**155,365**
Czech Republic and Slovakia	63,788	140,930	**204,718**
Russia	284,644	-	**284,644**
Ukraine	81,617	3,955	**85,572**
	3,016,807	**1,300,682**	**4,317,489**

The 0.1% decrease compared to 2023 is due to negative market trends for 0.7%, and unfavorable foreign currency effects for 0.8%, offset by changes in the scope of consolidation for 1.4%.

As regards the cement sector, the economic commitment towards the group arises at the time of delivery of the material and the payment is due within 20-150 days from the delivery date. The same pattern applies to the ready-mix concrete sector. However, in the cement sector, some contracts provide customers with the right to a premium, when a certain purchase volume is achieved.

8. OTHER OPERATING INCOME

This line item consists of income arising both from the ordinary and the non-recurring course of business that is not attributable to core sales of goods and rendering of services.

(thousands of euro)	2024	2023
Recovery of expenses	8,828	7,298
Indemnity for damages	3,301	864
Revenue from leased properties	7,536	7,236
Losses (gains) on disposal of property, plant and equipment	9,504	16,013
Income from ancillary business	18,239	15,441
Other	6,687	10,615
	54,095	**57,467**

The caption indemnity for damages mainly refers to insurance reimbursements in the United States (€592 thousand) and in Germany (€566 thousand).

The caption gains on disposal of property, plant and equipment includes €2,906 thousand arising from the sale of a ready-mix concrete plant in Santena (Italy), as well as amounts related to the sale of some land, buildings and other minor assets located primarily in Germany, Poland and the USA.

The line item Income from ancillary business includes, among other things, the sale of environmental conservation certificates, allocated free of charge in Germany, for €4,900 thousand, as well as the proceeds from the concession of some silos for fly ash storage in the United States for €1,743 thousand.

9. RAW MATERIALS, SUPPLIES AND CONSUMABLES

(thousands of euro)	2024	2023
Raw materials, supplies and consumables	849,167	836,177
Finished goods and merchandise	64,156	96,124
Electricity	312,281	340,740
Fuels	243,119	308,669
Emission rights	-	5,107
Other goods	35,440	33,620
	1,504,163	**1,620,437**

The line item Raw materials, supplies and consumables includes €233,516 thousand for auxiliary consumable materials related to the production process.

The caption emission rights included the provisions for the shortage of CO_2 allowances, measured on an accrual basis. The lower clinker production in EU countries, due to the contraction in sales volumes, allowed the group to entirely cover its CO_2 emissions with freely allocated allowances.

10. SERVICES

(thousands of euro)	**2024**	**2023**
Transportation	526,886	530,642
Maintenance and contractual services	176,036	177,461
Insurance	16,456	15,958
Legal and professional consultancy	20,489	17,338
Operating leases of property and machinery	15,729	13,594
Travel	7,521	6,894
Other	142,123	125,032
	905,240	**886,919**

The caption operating leases of property and machinery includes the leasing payments that fall within the exemptions envisaged by IFRS 16, i.e. short-term contracts for €5,782 thousand and low-value assets for €198 thousand. The caption also includes leases of quarry land and rents outside the scope of the new IFRS 16 standard for €9,749 thousand.

11. STAFF COSTS

(thousands of euro)	**2024**	**2023**
Salaries and wages	466,160	442,988
Social security contributions and defined contribution plans	142,529	133,679
Employee severance indemnities and defined benefit plans	9,397	7,838
Other long-term benefits	889	909
Other	4,319	3,886
	623,294	**589,300**

Staff costs mainly increased as a result of salary adjustments both for inflation and merit, as well as to the rise in the number of employees, also considering the net impact of changes in the scope during the period.

The average number of employees is the following:

(number)	**2024**	**2023**
White collar and executives	3,883	3,700
Blue collar and supervisors	6,001	5,933
	9,884	**9,633**

12. OTHER OPERATING EXPENSES

Other operating expenses, related to both the ordinary and the non-recurring course of business, are composed as follows:

(thousands of euro)	2024	2023
Write-down of receivables	1,659	1,611
Provisions for liabilities and charges	7,375	15,337
Association dues	6,950	7,006
Indirect taxes and duties	38,338	37,908
Losses on disposal of property, plant and equipment	1,866	2,104
Other	14,562	21,491
	70,750	**85,457**

The write-down of receivables is netted by releases in the specific allowance for €1,272 thousand (2023: €1,426 thousand) and it is primarily related to bad debt in Italy and Russia.

Provisions for liabilities and charges include €2,904 thousand related to quarry restoration (2023: €6,158 thousand).

13. DEPRECIATION, AMORTIZATION AND IMPAIRMENT CHARGES

(thousands of euro)	2024	2023
Intangible assets	7,571	4,211
Right-of-use assets	23,315	22,839
Property, plant and equipment	241,453	221,187
Impairment losses of non-current assets	1,907	10,188
	274,246	**258,425**

The change in this line item compared to 2023 reflects, in addition to the change in the scope of consolidation (notes 19, 20, 21), the amortization of the fair value adjustments recognized during the provisional allocation of the purchase price for the full acquisition of Nacional Cimentos Participações SA (note 51).
The impairment losses include €1,850 thousand related to land, buildings and equipment in Italy, in particular the inactive plants in Sorbolo and Manfredonia, as well as some land in the municipality of San Vincenzo.

In the previous year, it included €9,584 thousand related to land, buildings and equipment of the inactive plants in Sorbolo (IT) and Greve in Chianti (IT), as well as some land in the municipality of Vernasca (IT).

14. EQUITY IN EARNINGS OF ASSOCIATES AND JOINT VENTURES

The line item includes the share of profit (loss) of investments accounted for under the equity method and possible write-downs, set out in detail below:

(thousands of euro)	2024	2023
Associates		
Société des Ciments de Hadjar Soud EPE SpA	2,342	1,693
Société des Ciments de Sour El Ghozlane EPE SpA	2,919	844
Laterlite SpA	5,452	9,568
Alpacem Cement dd (formerly Salonit Anhovo Gradbeni Materiali dd)	6,735	8,598
Other associates	2,440	1,792
	19,888	**22,495**
Joint ventures		
Corporación Moctezuma, SAB de CV	113,537	110,378
Nacional Cimentos Participações SA	10,207	25,112
Other joint ventures	3,499	3,251
	127,243	**138,741**
	147,131	**161,236**

The data for Nacional Cimentos Participações SA refer to the first nine months of 2024.

15. GAINS (LOSSES) ON DISPOSAL OF INVESTMENTS

The line item includes the effects of the sale of the Ukrainian subisidiaries, based on the agreement signed with CRH on 20 June 2023, which was finalized in the first half of October 2024. The transaction resulted in a gain of €42,350 thousand. At the same time, the related currency translation reserve, which had a negative balance of €177,374 thousand, was released.

It also includes the gain of €3,976 thousand from the disposal of the investment in the subsidiary Beton Du Ried Sas.

16. FINANCE REVENUES AND FINANCE COSTS

(thousands of euro)	2024	2023
Finance revenues		
Interest income on liquid assets	80,747	49,553
Interest income on plan assets of employee benefits	10,911	11,295
Remeasurement of the fair value of the investment previously owned in Nacional Cimentos Participações SA	126,874	-
Foreign exchange gains	24,472	31,048
Dividend income	129	140
Other	6,109	6,055
	249,242	**98,091**
Finance costs		
Interest expense on bank borrowings	(24,247)	(23,883)
Interest expense on senior notes and bonds	-	(878)
Interest expense on employee benefits	(20,953)	(22,285)
Interest expense on lease liabilities	(2,706)	(2,602)
Changes in the fair value of derivative instruments	-	(15,818)
Discount unwinding on liabilities	(976)	(4,735)
Foreign exchange losses	(103,733)	(26,112)
Other	(21,742)	(7,176)
	(174,357)	**(103,489)**
Net finance revenues (costs)	**74,885**	**(5,398)**

The shift from a negative net balance in the previous period to a largely positive one in the current period was primarily driven by the fair value adjustment of the previously held interest in Nacional Cimentos Participações SA (€168,083 thousand), net of the negative effect from the release of the foreign exchange reserve related to Brazilian net assets (€45,996 thousand). Additionally, the fair value of the put/call option on the 50% stake in Nacional Cimentos Participações SA (€4,787 thousand) was recognized directly in the income statement (note 25). The favorable change was also supported by higher interest income on cash balances. Conversely, compared to the previous year, there was a deterioration in the net balance of non-cash items, particularly due to foreign exchange losses arising from financing in reais and dollars.

17. INCOME TAX EXPENSE

(thousands of euro)	**2024**	**2023**
Current tax	225,628	206,881
Deferred tax	(63,241)	(30,842)
Tax relating to prior years	(11,650)	(1,983)
	150,737	**174,056**

The increase in current tax is primarily due to the improvement of taxable income in the jurisdictions where the group operates.

Deferred tax mainly includes assets totaling €92,386 thousand, recognized in Italy, based on assessments regarding the future recoverability of tax losses and interest expenses carried forward.

Tax relating to prior years includes income or charges resulting from the settlement, or expected settlement, with the tax authorities of findings that arose during tax audits as well as from the revision or supplementation of tax returns referring to previous periods.

Legislative Decree no. 209 of 27 December 2023, implementing Directive (EU) 2022/2523 of 14 December 2022, introduced the Pillar II regime, which establishes, starting from 1 January 2024, a minimum effective tax rate of 15% for multinational or domestic groups with annual revenues exceeding €750 million.
The company has made use of the exception set out in paragraph 4A of IAS.12 with respect to deferred tax assets and liabilities related to Pillar II income taxes. Buzzi SpA has preliminarily determined the scope of application by conducting a detailed analysis of its legal entities, qualifying as a "partially owned participant" and taking advantage of the option whereby the top-up tax due by a group for a given country is deemed to be zero, provided that the effective tax rate of its constituent entities located in that jurisdiction meets the conditions of the simplified regimes (so-called "Transitional CbCR Safe Harbour").
In particular, a verification of the applicability of the Transitional CbCR Safe Harbour was conducted across the various jurisdictions where the group operates. This analysis revealed that, except for Italy, at least one of the exclusion criteria set out by the regulation is met in all jurisdictions.
Buzzi therefore calculated the Effective Tax Rate (ETR) of its Italian entities according to the national minimum tax rules and found that, the ETR exceeds 15%. As a result, the application of the Pillar II framework did not have any impact for the 2024 financial year.

The reconciliation of income tax computed at the theoretical tax rate applicable in Italy to income tax expense recorded in the consolidated income statement, is the following:

(thousands of euro)	**2024**	**2023**
Profit before tax	1,093,209	1,140,869
Italian income tax rate (IRES)	24.00%	24.00%
Theoretical income tax expense	**262,370**	**273,809**
Effect of permanent differences	(10,697)	(23,772)
Tax relating to prior years	(11,650)	(1,983)
Difference in foreign tax rate	(12,715)	(15,212)
Effect of rate changes on deferred income tax	(4,338)	1,978
Adjustments to deferred income tax	(103,039)	(37,128)
Withholding tax on foreign dividends and interests	12,511	8,813
Italian regional income tax on production activities (IRAP)	8,292	9,250
Other differences	10,003	(41,699)
Income tax expense	**150,737**	**174,056**

The lower tax rate in 2024, equal to 13.8% of profit before tax (15.3% in 2023), is mainly attributable to the recognition of deferred tax assets, as illustrated above.

18. EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing net profit attributable to owners of the company by the weighted average number of shares outstanding during the period and excluding treasury shares.

		2024	2023
Net profit attributable to owners of the company	thousands of euro	942,316	966,545
Average number of shares outstanding		183,319,589	185,131,838
Basic earnings per share	euro	5.140	5.221

Diluted

Diluted earnings per share is calculated by adjusting the earnings and weighted average number of shares for the effects of dilutive options and other potential dilutive shares. At the balance sheet date there were no dilutive equity instruments outstanding and therefore basic and diluted earnings are the same.

19. GOODWILL AND OTHER INTANGIBLE ASSETS

		Other intangible assets			
(thousands of euro)	Goodwill	Industrial patents, licenses and similar rights	Assets in progress and advances	Other	Total
At 1 January 2023					
Cost/deemed cost	766,072	87,383	1,022	31,138	119,543
Accumulated depreciation and write-downs	(256,588)	(53,980)	-	(8,060)	(62,040)
Net book amount	**509,484**	**33,403**	**1,022**	**23,078**	**57,503**
Year ended 31 December 2023					
Opening net book amount	509,484	33,403	1,022	23,078	57,503
Exchange differences	(648)	(5,712)	(6)	(1)	(5,719)
Additions	-	5,364	215	800	6,379
Amortization	-	(2,575)	-	(1,636)	(4,211)
Reclassifications	-	(1,206)	(1,061)	205	(2,062)
Closing net book amount	**508,836**	**29,274**	**170**	**22,446**	**51,890**
At 31 December 2023					
Cost/deemed cost	760,913	68,529	170	31,978	100,677
Accumulated depreciation and write-downs	(252,077)	(39,255)	-	(9,532)	(48,787)
Net book amount	**508,836**	**29,274**	**170**	**22,446**	**51,890**
Year ended 31 December 2024					
Opening net book amount	508,836	29,274	170	22,446	51,890
Exchange differences	(21,475)	(5,263)	(259)	(3,403)	(8,925)
Additions	639	1,481	541	-	2,022
Change in scope of consolidation	384,815	33,369	4,087	57,077	94,533
Disposals and other	-	(5)	(4)	-	(9)
Amortization	-	(2,602)	-	(4,969)	(7,571)
Impairment charges	(26)	-	-	-	-
Reclassifications	-	306	(105)	-	201
Closing net book amount	**872,789**	**56,560**	**4,430**	**71,151**	**132,141**
At 31 December 2024					
Cost/deemed cost	1,124,967	102,548	4,430	85,547	192,525
Accumulated depreciation and write-downs	(252,178)	(45,988)	-	(14,396)	(60,384)
Net book amount	**872,789**	**56,560**	**4,430**	**71,151**	**132,141**

At 31 December 2024, the column industrial patents, licenses and similar rights is made up of industrial licenses (€16,422 thousand), application software for plant and office automation (€3,812 thousand), mining rights (€30,917 thousand), industrial patents (€5,409 thousand).

The caption change in scope of consolidation mainly refers to the provisional accounting of the business combination with Nacional Cimentos Participações SA, which took place on 3 October 2024. This resulted in the recognition, net of deferred taxes, of a customer list, mining rights, and, as a residual item, goodwill amounting to €384,815 thousand (note 51).

The column other includes, therefore, besides the customer list resulting from the business combination Testi Cementi Srl, Borgo Cementi Srl and Arquata Cementi Srl, which took place on 1 July 2019, for €19,348 thousand, also €57,077 thousand from the first time consolidation of Nacional Cimentos Participações SA.

Translation differences related to goodwill refer to the CGUs Brazil (unfavorable impact of €23,351 thousand), United States of America (favorable impact of €2,066 thousand) and Poland (favorable impact of €108 thousand).

Goodwill and impairment test
Goodwill at 31 December 2024 amounts to €872,789 and is broken-down as follows:

(thousands of euro)	2024	2023
Italy	76,753	76,114
United States of America	41,736	39,670
Germany	129,995	129,995
Luxembourg	69,104	69,104
Poland	88,117	88,009
Czech Republic/Slovakia	105,944	105,944
Brazil	361,140	-
	872,789	**508,836**

For the purpose of impairment testing, the cash generating units ("CGUs") to which goodwill has been allocated are consistent with the management strategic vision and have been identified by country of operations, considering in a combined way the performance of cement and ready-mix concrete, since the two businesses, vertically integrated, are strictly interdependent.

Starting from these financial statements, following the acquisition of the remaining 50% of Nacional Cimentos Participações SA and the resulting recognition of goodwill, the Brazil CGU was tested for impairment.
All identified CGUs correspond to the markets in which Buzzi operates, namely Italy, United States of America, Germany, Luxembourg, Netherlands, Czech Republic/Slovakia, Poland, Russia and Brazil.

The recoverable amount of the CGUs, to which goodwill and intangible assets with indefinite useful lives have been allocated, is assessed by determining their value in use, based on the present value of expected cash flows. This is calculated using a discount rate that incorporates the specific risks of each cash-generating unit at the valuation date, in accordance with the impairment testing procedure approved independently and in advance of the financial statements approval.

The key assumptions used for the calculation primarily concern:

Estimation of cash flows
The cash flow estimates for each single CGU is based on 5-year plans approved by the board of directors. The management approach in determining the plans is based on sustainable and reasonable

assumptions, which ensure consistency among prospective and historical flows and external information. The cash flow used is net of theoretical income tax, changes in working capital and capital expenditures.

Management's estimates were based on experience but, in line with the assumptions of the various industry members, in identifying the evolution of the current scenario they considered both the uncertainties associated with market variables and the prospects arising from the national investment policies included in the European Recovery Fund plan, as well as the impacts of climate change and the efforts required to gradually achieve the goal of carbon neutrality (for more details see the section "Impact of climate change", note 4).
The consolidated assumptions for future cash flows include an estimate of the expenses to be incurred for the purchase of CO_2 emission rights, whose cost is based on the information currently available, and the efforts to mitigate or offset such costs in the short to medium term.
The long-term objectives depend, instead, on various external factors, difficult to control or foresee, which may require significant investments, whose extent, currently, cannot be estimated yet. Therefore, given the actual estimation difficulty, these investments were not included in the assumptions for the future cash flows of the various CGUs. The whole of the assessments carried out led to the decision to use the most probable scenario, leaving the appropriate considerations on possible alternative scenarios to the specific sensitivity analyses.

Terminal value
The terminal value is calculated assuming that, at the end of the projection period, the CGU generates a constant cash flow (perpetual). The group used expected inflation as the perpetual annual growth rate (g), as it is considered representative of the long-term growth forecast in the countries of operations. The development of the cement and ready-mix concrete business, especially, is strictly linked to average per capita consumption, population growth and GDP of the respective country (or where the asset is used). Such parameters are reflected on the (g) factor, which has been determined for each market as follows:

(in %)	ITA	USA	GER	NLD	POL	CZE	LUX	RUS	BRA
g									
31 December 2024	**2.00%**	**2.14%**	**2.00%**	**2.00%**	**2.50%**	**2.00%**	**1.90%**	**4.00%**	**2.97%**
31 December 2023	2.00%	2.13%	1.99%	2.00%	2.50%	2.00%	1.98%	4.00%	3.01%

Discount rate

The discount rate represents the return expected by the company’s lenders and shareholders to invest their capitals in the business; it is calculated as the weighted average between the equity cost and the cost of debt increased by the country-specific risk (WACC). The discount rates, after tax, applied to the main CGUs are as follows:

(in %)	ITA	USA	GER	NLD	POL	CZE	LUX	RUS	BRA
WACC									
31 December 2024	**10.02%**	**9.04%**	**7.22%**	**7.31%**	**8.50%**	**8.13%**	**7.28%**	**23.13%**	**11.87%**
31 December 2023	10.21%	8.69%	7.19%	7.31%	8.61%	8.25%	7.26%	23.01%	12.33%

Where present, the assessment also encompassed the fair value of owned raw material reserves that have not been exploited yet.
The comparison of the recoverable amount thus obtained with the carrying amount of the various CGUs showed no indicators that goodwill may be impaired.

The sensitivity analysis was performed on the recoverable amount of the different CGUs, in order to verify the effects of reasonably possible changes, if any, in the key assumptions. Specifically, we reasoned upon changes in the cost of money (and consequently WACC discount rate) and net operating cash flow. It can generally be stated that a 100 basis points increase in the discount rate, or a 10% decrease in cash flows, would not lead to exceeding carrying amounts of the CGUs over their recoverable amounts, except for Russia and Brazil, which are influenced by the change in the above-mentioned assumptions.

20. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(thousands of euro)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other	Total
At 1 January 2023					
Cost/deemed cost	40,809	16,221	83,110	20,052	160,192
Accumulated depreciation and write-downs	(16,846)	(6,991)	(46,684)	(12,045)	(82,566)
Net book amount	**23,963**	**9,230**	**36,426**	**8,007**	**77,626**
Year ended 31 December 2023					
Opening net book amount	23,963	9,230	36,426	8,007	77,626
Exchange differences	(290)	(60)	(1,261)	(107)	(1,718)
Additions and other	6,115	1,683	11,492	7,632	26,922
Extinctions	(914)	(3,433)	-	(810)	(5,157)
Amortization	(5,005)	(2,177)	(10,693)	(4,964)	(22,839)
Impairment charges	-	-	(172)	-	(172)
Reclassifications	(167)	-	-	(33)	(200)
Closing net book amount	**23,702**	**5,243**	**35,792**	**9,725**	**74,462**
At 31 December 2023					
Cost/deemed cost	43,319	10,792	91,499	22,840	168,450
Accumulated depreciation and write-downs	(19,617)	(5,549)	(55,707)	(13,115)	(93,988)
Net book amount	**23,702**	**5,243**	**35,792**	**9,725**	**74,462**
Year ended 31 December 2024					
Opening net book amount	23,702	5,243	35,792	9,725	74,462
Exchange differences	(65)	(39)	1,991	134	2,021
Additions and other	7,011	1,317	6,259	6,021	20,608
Change in scope of consolidation	1,012	-	1,508	48	2,568
Extinctions	(548)	(1,234)	-	(293)	(2,075)
Amortization	(5,261)	(1,352)	(11,220)	(5,482)	(23,315)
Reclassifications	17	(28)	-	60	49
Closing net book amount	**25,868**	**3,907**	**34,330**	**10,213**	**74,318**
At 31 December 2024					
Cost/deemed cost	49,246	9,765	106,008	22,598	187,617
Accumulated depreciation and write-downs	(23,378)	(5,858)	(71,678)	(12,385)	(113,299)
Net book amount	**25,868**	**3,907**	**34,330**	**10,213**	**74,318**

Lease liabilities recorded in the balance sheet at 31 December 2024 amount to €76,802 thousand. During the period 2024, the financial effect due to modification of the terms, mainly for extension and termination options, was an increase in lease liabilities and right-of-use assets of € 2,257 thousand.

The following schedule breaks down the present value of lease obligations at the balance sheet date:

(thousands of euro)	**2024**	**2023**
Within 6 months	12,003	10,495
Between 6 and 12 months	9,592	9,156
Between 1 and 5 years	43,559	45,262
Over 5 years	11,648	11,315
	76,802	**76,228**

Set out below is a breakdown of cash outflows for leases:

(thousands of euro)	**2024**	**2023**
Short-term lease, low value and variable components	5,980	3,776
Interest amount	2,706	2,602
Principal amount	23,025	21,426
	31,711	**27,804**

21. PROPERTY, PLANT AND EQUIPMENT

(thousands of euro)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Assets in progress and advances	Other	Total
At 1 January 2023						
Cost/deemed cost	3,110,000	5,199,692	487,654	179,798	158,480	9,135,624
Accumulated depreciation and write-downs	(1,297,513)	(4,131,708)	(343,498)	(6,883)	(115,898)	(5,895,500)
Net book amount	**1,812,487**	**1,067,984**	**144,156**	**172,915**	**42,582**	**3,240,124**
Year ended 31 December 2023						
Opening net book amount	1,812,487	1,067,984	144,156	172,915	42,582	3,240,124
Exchange differences	(55,608)	(40,029)	(8,482)	(8,765)	(1,565)	(114,449)
Additions	29,096	86,747	37,570	157,503	3,713	314,629
Disposals and other	(5,647)	(33)	(497)	(69)	(31)	(6,277)
Depreciation	(44,629)	(136,822)	(29,605)	-	(10,131)	(221,187)
Impairment charges	(4,894)	(4,932)	-	(179)	(11)	(10,016)
Reclassifications	(856)	37,243	2,428	(99,384)	8,283	(52,286)
Closing net book amount	**1,729,949**	**1,010,158**	**145,570**	**222,021**	**42,840**	**3,150,538**
At 31 December 2023						
Cost/deemed cost	3,015,257	5,022,448	486,046	228,630	157,858	8,910,239
Accumulated depreciation and write-downs	(1,285,308)	(4,012,290)	(340,476)	(6,609)	(115,018)	(5,759,701)
Net book amount	**1,729,949**	**1,010,158**	**145,570**	**222,021**	**42,840**	**3,150,538**
Year ended 31 December 2024						
Opening net book amount	1,729,949	1,010,158	145,570	222,021	42,840	3,150,538
Exchange differences	72,088	6,311	(5,329)	(3,077)	1,997	71,990
Additions	57,964	103,982	62,466	229,689	4,228	458,329
Change in scope of consolidation	154,925	134,876	3,608	78,617	1,308	373,334
Disposals and other	(1,477)	(1,540)	(796)	(771)	(377)	(4,961)
Depreciation	(45,647)	(152,085)	(32,673)	-	(11,048)	(241,453)
Impairment charges	(1,739)	(128)	(3)	-	-	(1,870)
Reclassifications	23,960	94,005	10,299	(141,277)	13,125	112
Closing net book amount	**1,990,023**	**1,195,579**	**183,142**	**385,202**	**52,073**	**3,806,019**
At 31 December 2024						
Cost/deemed cost	3,393,914	5,533,075	540,591	391,690	181,449	10,040,719
Accumulated depreciation and write-downs	(1,403,891)	(4,337,496)	(357,449)	(6,488)	(129,376)	(6,234,700)
Net book amount	**1,990,023**	**1,195,579**	**183,142**	**385,202**	**52,073**	**3,806,019**

Total additions of €458,329 thousand in 2024 are described in the review of operations, to which reference is made. In the cash flow statement and in the review of operations capital expenditures are reported according to the actual outflows (€445,371 thousand).

Positive exchange differences of €71,990 thousand reflect basically the strengthening in the dollar/euro exchange rate, which offsets the weakening of the ruble/euro and Brazilian real/euro exchange rates.

During 2006, Buzzi Unicem USA entered into a series of agreements with Jefferson County, Missouri, related to the Selma plant under a sale and lease-back contract. . Our subsidiary is responsible for all operation and maintenance of the leased assets and has the option to purchase the personal property at the conclusion of the lease term for $1. Should Buzzi Unicem USA not exercise the option, it shall be obliged to pay 125% of the personal property taxes that would normally apply. The plan provides for 60% abatement of personal property taxes for approximately 15 years.

During 2015, Buzzi Unicem USA entered into a series of agreements similar to the above cited ones with Bel Aire County, Kansas, regarding a new distribution terminal in the city of Wichita.

22. INVESTMENT PROPERTY

It is accounted for using the cost model and it amounts to €16,841 thousand, showing a decrease of €683 thousand versus last year.
The fair value at the balance sheet date, based on internal and external independent appraisals, amounts to €20,823 thousand (2023: €22,505 thousand) and is classifiable as level 2, because based on observable data. The measurement of the market value built on internal and external appraisals was conducted using comparative estimates based on recent transactions for similar property, where available, and comparing them with information coming from real estate agents operating in the same area and with other publicly available databases.

(thousands of euro)	**2024**	**2023**
At 1 January		
Cost/deemed cost	20,215	20,252
Accumulated depreciation and write-downs	(2,691)	(2,691)
Net book amount	**17,524**	**17,561**
Exchange differences	66	(37)
Additions	4	-
Disposals and other	(716)	-
Impairment charges	(37)	-
At 31 December	**16,841**	**17,524**
Cost/deemed cost	19,827	20,215
Accumulated depreciation and write-downs	(2,986)	(2,691)
Net book amount	**16,841**	**17,524**

23. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The amounts recognized in the balance sheet are as follows:

(thousands of euro)	2024	2023
Associates valued by the equity method	205,434	183,080
Joint ventures valued by the equity method	262,182	450,523
	467,616	**633,603**

The net decrease of €165,987 thousand was affected: downwards by the elimination of the 50% stake previously owned in Nacional Cimentos Participações SA, which since October has been accounted for using the line-by-line method, the elimination of dividends received in the amount of €89,709 thousand and translation differences in the amount of €29,206 thousand; upwards by the share of the investees' earnings for €147,131 thousand.

The analysis of impairment indicators, carried out in accordance with IAS 28, did not reveal any events or circumstances indicating a reduction in the recoverable amount of investments below their carrying amount, except for the investments in Société des Ciments de Hadjar Soud EPE SpA and Société des Ciments de Sour El Ghozlane EPE SpA.

Management measured the value in use as the group's share in the present value of expected cash flows in the same way as described in note 19.

Terminal Value

The terminal value is calculated assuming that, at the end of the stated time horizon, the investment generates a constant (perpetual) cash flow. The group used, as the perpetual annual growth rate (g), the expected inflation rate, which is considered representative of the long-term growth. For 2024, the annual growth rate in Algeria is: 4.43 % (in 2023 5.19 %).

Discount rate

The discount rate (WACC) represents the expected return by the company's financiers and shareholders for investing their capital in the company. It is calculated as the weighted average between the cost of risk capital and the cost of debt, taking into account the country-specific risk.: The rate applied to the Algerian holdings, net of tax effect, is 11.07% (in 2023 13.47%).

A comparison of the recoverable value thus obtained with the book value did not show any indications that these assets might be impaired.

Furthermore, a sensitivity analysis was performed on the recoverable amount of the investments, to verify the effects of reasonably possible changes, if any, in the key assumptions. Specifically, we reasoned upon changes in the cost of money (and consequently WACC discount rate) and net operating cash flow. In general, we can assert that only in the event of a meaningful cash flow decrease or an increase of the discount rate by some percentage points, the recoverable amount would come out lower than the carrying amount at the balance sheet date.

23.1 Interests in associates

Set out below are the associates which, in the opinion of the directors, are material to the group at the balance sheet date. These associates have a share capital consisting solely of ordinary shares, which are held directly or indirectly by the company. The country of incorporation is also their principal place of business.

Nature of investments in associates:

Name of the entity	Nature of the relationship	Place of business/country of incorporation	% of ownership interest	Book value	Measurement method
Société des Ciments de Hadjar Soud EPE SpA	Note 1	Algeria	35.0	44,455	Equity
Société des Ciments de Sour El Ghozlane EPE SpA	Note 1	Algeria	35.0	39,755	Equity
Alpacem Cement dd (formerly Salonit Anhovo Gradbeni Materiali dd)	Note 2	Slovenia	25.0	43,862	Equity
Laterlite SpA	Note 3	Italy	33.3	38,394	Equity

Note 1

Buzzi holds a 35% interest in Société des Ciments de Sour El Ghozlane EPE SpA and Société des Ciments de Hadjar Soud EPE SpA, two full-cycle cement plants operating in Algeria. They are strategic partnerships for the group presence in emerging markets, where the remaining majority stake is owned by the Algerian State through the industrial holding GICA.

Note 2

The group holds a 25% stake in Alpacem Cement dd (formerly Salonit Anhovo Gradbeni Materiali dd), a company owning a modern cement plant in Slovenia, located a few kilometers away from the Italian border. Alpacem Cement is the main actor in the Slovenian market and it also exports regularly a meaningful portion of its production to the Italian regions across the border.

Note 3

The group holds a 33.3% ownership interest in Laterlite SpA, a company that owns several plants in Italy and is focused on the production and sale of a wide range of high-performance lightweight materials for sustainable construction, offering innovative solutions to improve energy efficiency and reduce the weight of structures (expanded clay, premixed products, prebatched materials, structural reinforcements and blocks).

The four above cited associate companies are private and there is no quoted market price available for their shares. There are no contingent liabilities relating to the group’s interest in the same associates.

Summarized financial information for associates

Set out below is the summarized financial information for the associates that are material to the group, all valued by the equity method:

(thousands of euro)	Société des Ciments de Hadjar Soud EPE SpA 2023	Société des Ciments de Hadjar Soud EPE SpA 2022	Société des Ciments de Sour El Ghozlane EPE SpA 2023	Société des Ciments de Sour El Ghozlane EPE SpA 2022	Alpacem Cement dd (formerly Salonit Anhovo Gradbeni Materiali dd) 2023	Alpacem Cement dd (formerly Salonit Anhovo Gradbeni Materiali dd) 2022	Laterlite SpA 2023	Laterlite SpA 2022
Summarized balance sheet								
Current assets								
Cash and cash equivalents	17,129	16,114	24,228	25,730	28,592	10,960	15,719	12,893
Other current assets (excluding cash)	33,237	30,808	37,040	34,554	59,669	54,047	92,828	88,289
	50,366	**46,922**	**61,268**	**60,284**	**88,261**	**65,007**	**108,547**	**101,182**
Non-current assets	**88,033**	**84,756**	**58,418**	**57,841**	**117,599**	**110,627**	**64,762**	**39,502**
Current liabilities								
Financial liabilities (excluding trade and other payables and provisions)	-	-	-	-	1,474	2,163	3,258	3,644
Other current liabilities (including trade and other payables and provisions)	13,260	9,898	11,855	9,055	29,249	22,674	51,342	45,251
	13,260	**9,898**	**11,855**	**9,055**	**30,723**	**24,837**	**54,600**	**48,894**
Non-current liabilities								
Financial liabilities (excluding other payables and provisions)	-	-	-	-	4,406	5,027	6,109	5,425
Other non-current liabilities (including other payables and provisions)	8,894	7,388	6,489	5,921	2,345	1,930	7,012	5,883
	8,894	**7,388**	**6,489**	**5,921**	**6,751**	**6,957**	**13,121**	**11,308**
Summarized income statement								
Net sales	34,548	29,672	28,832	34,017	151,844	132,800	174,512	169,874
Depreciation and amortization	(6,455)	(13,075)	(5,002)	(7,046)	(9,361)	(10,040)	(11,340)	(5,942)
Finance revenues	1,752	1,664	1,114	922	1,023	1,200	342	12
Finance costs	(10)	(16)	(5)	(2)	(527)	(479)	(817)	(625)
Income tax expense	(915)	(381)	(1,489)	(1,842)	(7,094)	(2,708)	(9,008)	(3,425)
Profit (loss) for the year	**4,838**	**(1,067)**	**2,410**	**5,472**	**34,393**	**27,193**	**28,705**	**13,352**
Other comprehensive income	(1,374)	8,166	(1,159)	8,166	-	-	-	-
Total comprehensive income	**3,464**	**7,099**	**1,251**	**13,638**	**34,393**	**27,193**	**28,705**	**13,352**

The above information reflects the amounts presented in the financial statements of each associate (not Buzzi's share of those amounts), adjusted for possible differences in the accounting policies between the group and the same associates.

Reconciliation of summarized financial information

Set out below is a reconciliation between the financial information (presented above) and the carrying amount of the interests in associate companies that are material to the group:

	Société des Ciments de Hadjar Soud EPE SpA		Société des Ciments de Sour El Ghozlane EPE SpA		Alpacem Cement dd (formerly Salonit Anhovo Gradbeni Materiali dd)		Laterlite SpA	
(thousands of euro)	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Opening net assets at 1 January	116,245	114,392	101,342	103,149	168,219	143,840	105,587	80,482
Profit (loss) for the year	6,692	4,838	8,340	2,410	27,256	34,393	16,356	28,705
Dividends declared	(2,108)	(1,611)	(1,613)	(3,058)	(20,028)	(10,014)	(6,750)	(3,600)
Exchange differences	6,185	(1,374)	5,516	(1,159)	-	-	-	-
Closing net assets	**127,014**	**116,245**	**113,585**	**101,342**	**175,447**	**168,219**	**115,193**	**105,587**
Ownership share (35%; 35%; 25%; 33%)	44,455	40,686	39,755	35,470	43,862	42,055	38,394	35,192
Goodwill	-	-	-	-	-	79	-	-
Carrying value	**44,455**	**40,686**	**39,755**	**35,470**	**43,862**	**42,134**	**38,394**	**35,192**

23.2 Interests in joint ventures

Set out below is the joint venture which, in the opinion of the directors, is material to the group at 31 December 2024:

Name of the entity	Place of business/country of incorporation	% of ownership interest	Book value	Measurement method
Corporación Moctezuma, SAB de CV	Mexico	33.0	246,253	Equity

Corporación Moctezuma, SAB de CV has a share capital consisting solely of ordinary shares, which is held indirectly by the company. Corporación Moctezuma is the holding of a group which manufactures and sells cement, ready-mix concrete and natural aggregates. It is a strategic investment for the group, whose operations are located in Mexico.

At 31 December 2024, the fair value of our interest in Corporación Moctezuma, SAB de CV, which is listed on the Bolsa Mexicana de Valores, was €1,061,139 thousand (2023: €1,215,153 thousand).

Summarized financial information for joint ventures
Set out below is the summarized financial information for the joint venture that is material to the group, valued by the equity method:

	Corporación Moctezuma, SAB de CV	
(thousands of euro)	**2024**	**2023**
Summarized balance sheet		
Current assets		
Cash and cash equivalents	352,274	377,055
Other current assets (excluding cash)	114,460	132,720
	466,734	**509,775**
Non-current assets	**409,169**	**406,045**
Current liabilities		
Financial liabilities (excluding trade and other payables and provisions)	4,225	2,971
Other current liabilities (including trade and other payables and provisions)	139,303	183,290
	143,528	**186,261**
Non-current liabilities		
Financial liabilities (excluding other payables and provisions)	12,368	6,097
Other non-current liabilities (including other payables and provisions)	6,318	6,381
	18,686	**12,478**
Summarized income statement		
Net sales	998,280	1,024,983
Depreciation and amortization	(36,249)	(33,186)
Finance revenues	63,253	38,678
Finance costs	(10,949)	(21,465)
Income tax expense	(131,983)	(127,991)
Profit (loss) for the year	**328,844**	**321,419**
Other comprehensive income	(98,260)	61,608
Total comprehensive income	**230,584**	**383,027**

The above information reflects the amounts presented in the financial statements of the joint venture (not Buzzi's share of those amounts), adjusted for possible differences in the accounting policies between the group and the same joint ventures.

Reconciliation of summarized financial information

Set out below is a reconciliation between the financial information (presented above) and the carrying amount of the interests in the joint venture that is material to the group:

	Corporación Moctezuma, SAB de CV	
(thousands of euro)	**2024**	**2023**
Opening net assets at 1 January	717,081	537,190
Profit for the year	328,844	321,419
Actuarial gains (losses) on post-employment benefits	(292)	86
Dividends declared	(219,498)	(177,104)
Exchange differences	(97,968)	61,522
Other	(14,929)	(26,032)
Closing net assets	**713,238**	**717,081**
% of ownership	246,253	246,253
Carrying value	**246,253**	**246,253**

24. EQUITY INVESTMENTS AT FAIR VALUE

The line item refers to investments in unconsolidated subsidiaries and in other companies, all of them unlisted.

(thousands of euro)	Subsidiaries	Other	Total
At 1 January 2024	322	10,404	10,726
Additions	127	757	884
Fair value changes	-	51	51
Write-downs	-	(1,012)	(1,012)
At 31 December 2024	**449**	**10,200**	**10,649**

25. DERIVATIVE FINANCIAL INSTRUMENTS

On 17 May 2024, Grupo Ricardo Brennand notified Buzzi of the exercise of the put option for the sale of the remaining 50% of Nacional Cimentos Participações SA, which had been recognized in the balance sheet as the difference between the exercise price and the fair value of the stake to be acquired (a negative amount of €4,787 thousand in 2023). On 3 October, 2024, following the conclusion of the purchase agreement, the remaining fair value of the derivative was recognized directly in the income statement (note 16).

	2024		2023	
(thousands of euro)	**Notional**	**Fair value**	**Notional**	**Fair value**
Nacional Cimentos Participações SA takeover option	-	-	320,178	(4,787)

26. OTHER NON-CURRENT ASSETS

(thousands of euro)	2024	2023
Loans to third parties and leasing	4,564	4,404
Loans to associates and joint ventures	4,710	220,005
Loans to customers	10,135	9,509
Tax receivables	5,024	703
Receivables from personnel	1,247	769
Guarantee deposits	17,222	13,315
Other	17,640	16,566
	60,542	**265,271**

Loans to third parties and leasing are mostly interest-bearing and adequately secured.

The caption loans to associates and joint ventures in 2023 mainly referred to the loan of $219,005 thousand, maturing in April 2026, granted to Companhia Nacional de Cimento CNC (a wholly-owned subsidiary of the holding Nacional Cimentos Participações SA), for the acquisition, in 2021, of the CRH companies operating in Brazil. Following the business combination with Nacional Cimentos Participações SA (Note 51), the loan was eliminated at the consolidated level.

Loans to customers are granted to some major accounts in the United States; they bear interest at market rates, are adequately secured and are performing regularly.

Guarantee deposits represent assets held in trust to secure the payment of benefits under certain pension plans in the United States for €13,442 thousand, besides insurance deposits.

The receivables included in this item expiring after more than five years amount to €28,021 thousand (2023: €24,296 thousand). The maximum exposure to credit risk is the carrying value of each class of receivable mentioned above.

27. INVENTORIES

(thousands of euro)	**2024**	**2023**
Raw materials, supplies and consumables	499,175	434,391
Work in progress	142,258	128,016
Finished goods and merchandise	124,168	113,390
Advances	634	1,528
Emission rights	115,669	76,944
	881,904	**754,269**

Increases and decreases of the various categories depend on the trend in production and sales, on the price of the factors employed and remained in stock, as well as on changes in the scope of consolidation and in exchange rates used for the translation of foreign financial statements. The amount shown is net of an allowance for obsolescence of €43,140 thousand (2023: €37,317 thousand).

The caption emission rights increased as a result of purchases made in the period.

28. TRADE RECEIVABLES

(thousands of euro)	2024	2023
Trade receivables	583,715	559,435
Less: Loss allowance	(16,146)	(13,050)
Trade receivables, net	**567,569**	**546,385**
Other trade receivables:		
From associates	17,424	19,177
From parent companies	28	48
	585,021	**565,610**

Trade receivables are non-interest bearing and generally have a maturity between 20 and 150 days.

The year-end balances from associates arise from normal and regular business transactions entered into with firms operating in the ready-mix concrete and cement segment.

The carrying amounts of net trade receivables are denominated in the following currencies:

(thousands of euro)	2024	2023
Euro	322,532	345,444
US Dollar	163,440	156,367
Brazilian Real	23,251	-
Czech Koruna	24,167	18,845
Other currencies	34,179	25,729
	567,569	**546,385**

Movements in the loss allowance for trade receivables during the year are as follows:

(thousands of euro)	2024	2023
At 1 January	13,050	14,626
Exchange differences	(112)	(289)
Change in scope of consolidation	4,806	-
Increase recognized in profit or loss	1,811	2,281
Receivables written off as uncollectible	(2,723)	(2,221)
Unused amounts reversed and other	(686)	(1,347)
At 31 December	**16,146**	**13,050**

The additions to the loss allowance for trade receivables are included among other operating expenses, net of related releases (note 12). Information about the exposure to credit risk can be found in note 3.1.

29. OTHER RECEIVABLES

(thousands of euro)	2024	2023
Tax receivables	92,606	62,891
Receivables from social security institutions	510	586
Receivables from unconsolidated subsidiaries and associates	1,853	2,680
Receivables from suppliers	10,656	14,619
Receivables from personnel	452	268
Receivables from sale of equity investments	8,000	-
Current financial assets	1,438	141,201
Loans to third parties and leasing	92	334
Accrued interest income	3,174	6,214
Other accrued income and prepaid expenses	18,773	15,488
Other	14,400	10,944
	151,954	**255,225**

Tax receivables include income tax payments in advance (€69,758 thousand and the debit balance of periodic value added tax liquidation (€22,668 thousand); this caption also includes the amounts owed by the ultimate parent Fimedi SpA to the Italian companies that are member of the consolidated tax return for domestic income tax purposes.

Loans to customers represent the current portion of the interest-bearing lending granted in the United States (note 26).

Receivables from suppliers mainly include advances on the procurement of gas, electricity and other services.

In 2023 the caption other current financial assets mainly referred to time deposits amounting to €139,774 thousand, with a maturity exceeding 3 months, accounted for at par value, i.e. at amortized cost.

Receivables from sale of equity investment refer to the residual portion to be collected under the agreements for the sale of assets in Ukraine.

Prepaid expenses refer to goods or services to be received in the future.

30. CASH AND CASH EQUIVALENTS

(thousands of euro)	2024	2023
Cash at banks and in hand	719,685	727,888
Short-term deposits	690,754	392,824
	1,410,439	**1,120,712**

Foreign operating companies hold about 77.9% of the balance of €1,410,439 thousand (60.4% in 2023). At the closing date, short-term deposits and securities earn interest at about 5.51% on average (5.68% in 2023), yield in euro is around 2.85%, in dollar 4.28% and in other currencies 12.07%. The average maturity of such deposits and securities is lower than 60 days.

The cash flows, the working capital and the available liquidity of the subsidiaries are handled locally but under a central finance function, to ensure an efficient and effective management of the resources generated and/or of the financial needs.

Cash and cash equivalents are denominated in the following currencies:

(thousands of euro)	2024	2023
Euro	361,866	310,800
US Dollar	759,095	647,840
Brazilian Real	129,917	-
Other currencies	159,561	162,072
	1,410,439	**1,120,712**

31. ASSETS HELD FOR SALE

They mainly refer to the net assets of the Fanna (PN) plant, reclassified following the agreement for the sale to the associate Alpacem Cementi Italia SpA, signed on 4 August 2023. As part of the transaction, Buzzi will subscribe to a 25% ownership interest in the capital of Alpacem Zement Austria GmbH (note 54).

The following table provides a breakdown of the amounts reported in the financial statements:

(thousands of euro)	**Fanna Cementi**
Assets held for sale	
Other intangible assets	93
Property, plant and equipment	22.609
Inventories	10.000
Other receivables	129
	32.831
Liabilities held for sale	
Employee benefits	319
Provisions for liabilities and charges	503
Other payables	735
	1.557
Net asset value	**31.274**

Finally, the balance includes other minor land, plant and buildings in Italy, Germany, the Netherlands and Czech Republic.

32. SHARE CAPITAL

At the balance sheet date the share capital of the company is composed as follows:

(number of shares)	2024	2023
Shares issued and fully paid		
Ordinary shares	192,626,154	192,626,154
	192,626,154	**192,626,154**
Share capital (thousands of euro)	123,637	123,637

During the financial year, no. 4,059,270 treasury shares were purchased, representing 2.11% of the share capital, for a total consideration of €147,043 thousand, as part of the authorization granted by the shareholders' meeting on 9 May 2024.

Accordingly, the movement in outstanding shares was as follows:

(number of shares)	2024
At 1 January	
Shares issued	192,626,154
Less: Treasury shares	(7,494,316)
Outstanding at beginning of year	**185,131,838**
Year ended 31 December 2024	
Purchase of treasury shares	(4,059,270)
At 31 December	
Shares issued	192,626,154
Less: Treasury shares	(11,553,586)
Outstanding at end of year	**181,072,568**

33. SHARE PREMIUM

It consists of the overall premium on shares issued over time. The line item amounts to €458,696 thousand as at 31 December 2024 and it is unchanged versus last year.

34. OTHER RESERVES

The line item encompasses several captions, which are listed and described here below:

(thousands of euro)	2024	2023
Exchange differences	(138,344)	(415,954)
Revaluation reserves	88,286	88,286
Merger surplus	249,177	249,177
Other	127,764	128,946
	326,883	**50,455**

The exchange differences reflect the exchange rate fluctuations that occurred starting from the first-time consolidation of financial statements denominated in foreign currencies. The net positive change of €277,610 thousand in the balance results from two opposing effects: ; increase of €197,933 thousand due to the strengthening of the US dollar and €4,077 thousand of the Algerian dinar; decrease of €64,828 thousand due to the depreciation of the Russian ruble, €44.569 of the Brazilian real in the fourth quarter, €33,825 thousand of the Mexican peso and €4,548 thousand of the other currencies in Eastern Europe.
Furthermore, following the completion of the sale process, the cumulative translation adjustment related to the Ukrainian companies, with a negative balance of €177,374 thousand (note 15) was released to the income statement, as well as the cumulative translation adjustment related to the revaluation of the previously held 50% stake in Nacional Cimentos Participações SA, with a negative balance of €45,996 thousand (note 16).

35. RETAINED EARNINGS

The line item contains both retained earnings and profit for the financial year attributable to owners of the company. It also includes the legal reserve from the statutory financial statements of Buzzi SpA, changes in shareholders' equity of consolidated companies pertaining to the parent company that took place after the first consolidation and the revaluation reserves accrued by the Mexican companies that used inflation accounting up to the year 2001.

During the year some transactions took place with non-controlling interests after the acquisition of control, the overall effect of which led to an increase in retained earnings of €1,101 thousand.

The changes in gains and losses generated by the actuarial valuations of liabilities for employee benefits, net of related deferred tax, in 2024 brought to an increase in retained earnings equal to €17,104 thousand.

36. NON-CONTROLLING INTERESTS

The balance mainly refers to Cimalux SA for €2,785 thousand.

The company operates in the cement industry and is located in Luxembourg.

Name of subsidiary	Place of business/country of incorporation	Non-controlling interests		Profit attributable to non-controlling interests		Equity attributable to non-controlling interests	
		2024	**2023**	**2024**	**2023**	**2024**	**2023**
Cimalux SA	Luxembourg	1.19%	1.57%	186	201	2,784	3,569

37. DEBT AND BORROWINGS

(thousands of euro)	2024	2023
Long-term debt		
Secured term loans	12,091	-
Unsecured term loans	316,295	338,697
	328,386	**338,697**
Current portion of long-term debt		
Secured term loans	15,218	-
Unsecured term loans	179,945	265,226
	195,163	**265,226**
Short-term debt		
Bank debts	2,478	-
Accrued interest expense	4,736	4,965
	7,214	**4,965**

During 2024 the average interest rate on financial indebtedness was equal to 4.33% (2023: 3.29%).

The exposure of the group's borrowings to interest rate changes and the contractual re-pricing dates at the end of the reporting period are as follows:

(thousands of euro)	2024	2023
Within 6 months	16,786	55,161
Between 6 and 12 months	185,591	215,030
Between 1 and 5 years	328,386	337,699
Over 5 years	-	998
	530,763	**608,888**

Term loans and other borrowings
The change for the year is due to an increase of €149,526 thousand from new borrowings and a decrease of €265,320 thousand from principal repayments, as well as €27,307 thousand attributable to the initial consolidation of Nacional Cimentos Participações SA. Of this amount, €13,597 thousand are subject to financial covenants (net debt/EBITDA ratio), which were complied with as of the balance sheet date.

As at 31 December 2024 the group has undrawn committed facilities for €164,632 thousand (2023: €159,760 thousand), thereof €157,505 thousand available to the company, at floating rate with maturity in 2028, and the remaining €7,127 thousand to Dyckerhoff GmbH and its subsidiaries, always at floating rate, with maturity in 2025.

In respect to interest rate and currency, the gross indebtedness at 31 December 2024 can be shortly split as follows: 68% floating and 32% fix; 70% euro-denominated, 25% dollar-denominated and 5% reaL-denominated

The following table summarizes the carrying amount of the borrowings compared with their fair value:

	2024		2023	
(thousands of euro)	Carrying amount	Fair value	Carrying amount	Fair value
Floating rate borrowings				
Secured term loans	8,050	9,709	-	-
Unsecured term loans	349,242	362,031	199,527	204,860
Fix rate borrowings				
Secured term loans	19,259	16,647	-	-
Unsecured term loans	146,998	151,367	404,396	405,481
	523,549	**539,754**	**603,923**	**610,341**

The fair values are based on the cash flows discounted at current borrowing rates for the group and are within level 2 of the specific hierarchy.

38. EMPLOYEE BENEFITS

The line item includes post-employment benefits and other long-term benefits.

Post-employment benefits

They consist of pension plans, life insurance and healthcare plans, employee severance indemnities and other. Group companies provide post-employment benefits for their employees either directly or indirectly, by paying contributions to independently administered funds. The way these benefits are provided varies according to the legal, fiscal and economic conditions of each country in which Buzzi operates. The obligations relate both to active employees and to retirees. Liabilities for contributions accrued but not yet paid are included within other payables.

Defined contribution plans

They primarily relate to public plans and/or supplemental private plans in Germany, the Netherlands, Luxembourg, Poland, the Czech Republic, the United States of America and, since 2024, Brazil. Defined contribution plans for post-employment benefits exist also in Italy (contribution to private supplementary funds, as well as employee severance indemnities or TFR for companies with at least 50 employees, after 31 December 2006). Expenses associated with defined contribution plans are charged to the income statement together with social security contributions under staff costs. No further commitments on the part of the employer exist over and above the payment of contributions to public plans or private insurance policies.

Defined benefit plans

Defined benefit plans may be unfunded, or they may be wholly or partly funded by the contributions paid by the company and, sometimes, by its employees to an entity or fund legally separate from the employer by which the benefits are paid.

Italy

The obligation for employee severance indemnities (TFR) is considered a defined benefit plan and is unfunded. It consists of the residual obligation that was required until 31 December 2006 under Italian legislation to be paid by companies with more than 50 employees, or accrued over the employee's working life for other companies. The obligation is remeasured every year, according to national employment laws. The provision is settled upon retirement or resignation and may be partially paid in advance if certain conditions are met. The level of benefits provided depends on the date of hire, length of service and salary. The commitments that amount to €9,563 thousand (2023: €10,501 thousand), have a weighted average duration of approximately 7 years.

Germany and Luxembourg

These pension arrangements provide for retirement benefits, early-retirement benefits, widows/widowers' benefits, orphans' allowances and generally also include long-term disability benefits. The level of benefits provided depends on the date of hire, salary and length of service. The commitments have a weighted average duration of approximately12 years.

The pension obligations in Germany totaling €202,789 thousand (2023: €210,477 thousand) are partly funded through a contractual trust agreement. The value of trust assets is €74,347 thousand (2023: €69,169 thousand) and reduces the amount to be recognized as a liability.
In Germany the defined benefit pension plans were closed as of 31 December 2017. For employees, who joined the company after 31 December 2017, a newly defined contribution plan was established. All other pension plans in Germany and Luxembourg are financed only by provisions. At the same time, starting from 1 January 2018, the possibility of deferred compensation for the benefit of individual supplemental pension was changed to defined contribution plans. Obligations for post-employment

medical costs in Germany are unfunded and contain a commitment on the part of the employer to reimburse 50% of private healthcare insurance premiums to former employees and co-insured spouses and/or to widows/widowers. This healthcare plan was closed in 1993 and has a remaining weighted average duration of approximately 5 years.

Netherlands

In the Netherlands, commitments for retirement total €712 thousand (2023: €582 thousand) and relate to the so-called "excedent" pension plan, which is supplementary to the sector pension fund. The obligations are funded by contributions to an insurance company. The value of plan assets by the insurance policy amounts to €564 thousand (2023: €447 thousand) and reduces the amount to be recognized as a liability. The commitments have a weighted average duration of approximately 18 years.

United States of America

Pension plans are mainly funded, while healthcare obligations are unfunded in nature. Pension arrangements provide for retirement and early-retirement benefits, surviving dependents' benefits (spouse or, alternatively, children) as well as long-term disability benefits. Benefits to white collar employees or their surviving dependents are linked to salary and length of service. For blue-collar workers, or their surviving dependents, pension benefits are determined on the basis of the salary, length of service as well as a fixed, periodically re-negotiated multiple. A major part of pension obligations, meaning €262,720 thousand (2023: 242,020 thousand), is covered by an external pension fund; its fair value of €202,015 thousand (2023: €216,321 thousand) reduces the amount to be recognized as a liability. Since 2021, following the recognition of actuarial gains, the fair value of a specific fund resulted above the value of the obligation, determining a surplus recognized as an asset and as of the balance sheet date amounts to €2,787 thousand. These pension plans have been closed since 1 January 2011 and the weighted average duration is approximately11 years. There are also unfunded obligations for a small group of individuals, whose weighted average duration is between 7 and 8 years.

Healthcare plans cover the portion of medical costs that is not covered by state plans or the costs of a private supplementary health insurance policy. The allowances paid to employees and, if relevant, their spouses depend on the length of service and do not include surviving dependents' benefits. These commitments have a weighted average duration of approximately 9 years.

Russia

The outstanding pension plans guarantee retirement services and benefits to former employees such as healthcare and other forms of indemnities. The level of the various benefits provided depends on the history of payments, inflation and employment conditions at the company. The liabilities amount to €732 thousand (2023: €647 thousand) and are funded by specific accounting provisions. The pension plan was closed as of 31 December 2018.

Other long-term benefits

The group grants also other long-term benefits to its employees, which include those generally paid when the employee attains a specific seniority. In this case the valuation reflects the probability that payment is required and the length of time for which payment is likely to be made. These schemes are unfunded and the amount of the obligation is calculated on an actuarial basis, in accordance with the projected unit credit method. Actuarial gains and losses arising from this obligation are recognized in the income statement. In the United States the group sponsors a deferred compensation plan for certain employees. Amounts deferred are funded into a trust and the earnings in the trust accrued to the benefit of the participants. The asset and liability are reported at fair value (the net asset value of each investment fund).

The obligations for employee benefits are analyzed as follows:

(thousands of euro)	**2024**	**2023**
By category		
Post-employment benefits:		
Pension plans	169,554	184,452
Healthcare plans	56,938	64,553
Employee severance indemnities	9,563	10,501
Other long-term benefits	8,495	8,264
	244,550	**267,770**
By geographical area		
Italy	10,792	11,709
Germany, Luxembourg, Netherlands	143,811	157,175
United States of America	89,215	98,239
Other countries	732	647
	244,550	**267,770**

Defined benefit plan assets, amounting to €2,787 thousand, shown separately under assets, relate to a specific situation in the United States, i.e. a positive difference between the fair value of plan assets and the obligation to a certain category of employees.

The amounts recognized in the balance sheet for post-employment benefits are determined as follows:

	Pension Plans		Healthcare plans		Employee severance indemnities	
(thousands of euro)	2024	2023	2024	2023	2024	2023
Present value of funded obligations	429,568	449,977	-	-	-	-
Fair value of plan assets	(277,400)	(286,468)	-	-	-	-
	152,168	**163,509**	**-**	**-**	**-**	**-**
Present value of unfunded obligations	14,599	17,245	56,938	64,553	9,563	10,501
Defined benefit plan assets	2,787	3,698	-	-	-	-
Liability in the balance sheet	**169,554**	**184,452**	**56,938**	**64,553**	**9,563**	**10,501**

The movement in the defined benefit obligation for post-employment benefits is illustrated below:

	Pension Plans		Healthcare plans		Employee severance indemnities	
(thousands of euro)	2024	2023	2024	2023	2024	2023
At 1 January	467,222	456,177	64,553	67,329	10,501	12,026
Current service cost	5,291	4,901	1,397	1,340	227	102
Past service cost	-	79	-	92	-	-
Losses (gains) from plan changes	(17,055)	-	-	-	-	-
Other costs	16	-	-	-	-	-
	(11,748)	**4,980**	**1,397**	**1,432**	**227**	**102**
Interest expense	19,679	20,431	3,154	3,384	320	437
(Gains) losses from changes in demographic assumptions	(221)	23	-	294	(1)	9
(Gains) losses from changes in financial assumptions	(20,304)	22,918	(9,377)	1,372	39	198
Experience (gains) losses	6,081	2,763	(2,148)	(486)	(158)	(167)
	(14,444)	**25,704**	**(11,525)**	**1,180**	**(120)**	**40**
Employee contributions	30	21	570	564	-	-
Benefit payments	(30,916)	(29,873)	(4,741)	(7,069)	(1,409)	(1,653)
Settlements	-	(384)	-	-	-	-
Exchange differences	14,344	(8,957)	3,530	(2,267)	-	-
Other changes	-	(877)	-	-	44	(451)
At 31 December	**444,167**	**467,222**	**56,938**	**64,553**	**9,563**	**10,501**

In 2024, the group reduced its exposure to the liability arising from one of its defined benefit plans in the United States by purchasing a group annuity contract for some retirees. The amendment involved a payment of €18,419 thousand to an insurance company, with a withdrawal from the assets servicing the plan. This transaction reduced the liability for defined benefit plans by €17,055 thousand, with a settlement loss of €1,340 thousand.

The present value of the defined benefit obligations is composed of the following at the end of each reporting period:

	Pension Plans		Healthcare plans	
(thousands of euro)	2024	2023	2024	2023
Active members	149,798	154,984	12,051	12,799
Deferred members	22,150	24,248	18,560	19,444
Pensioners	272,219	287,990	26,327	32,310
At 31 December	**444,167**	**467,222**	**56,938**	**64,553**

Changes in the fair value of plan assets are as follows:

	Pension Plans	
(thousands of euro)	2024	2023
At 1 January	286,468	279,807
Interest income	13,141	13,626
Employer contributions	5,449	5,340
Employee contributions	30	21
Benefit payments	(15,601)	(15,844)
Settlements	(19,131)	(1,434)
Actuarial gains (losses)	(5,192)	12,451
Exchange differences	12,236	(7,680)
Other differences	-	181
At 31 December	**277,400**	**286,468**

The table includes the amount related to the already mentioned amendment to the US plan, which resulted in a settlement of €19,131 thousand.

Plan assets are comprised as follows:

	Germany		United States of America	
(thousands of euro)	2024	2023	2024	2023
Cash and cash equivalents	**3,899**	**2,389**	**6,190**	**10,683**
Equity instruments	**31,840**	**23,306**	**-**	**-**
Euro equities	15,047	13,999	-	-
Europe ex Euro equities	11,274	9,307	-	-
Capital instruments in US Dollar	4,597	-	-	-
Other non-rated	922	-	-	-
Debt instruments	**27,889**	**26,366**	**34,081**	**37,993**
Euro corporate investment grade	15,349	9,619	-	-
Euro corporate unrated	586	(149)	-	-
Euro non-investment grade companies	-	448	-	-
Euro sovereigns investment grade	7,382	11,507	-	-
Dollar corporate investment grade	1,515	1,460	-	-
Dollar sovereign investment grade	1,057	1,052	34,081	37,993
Other corporate investment grade	2,000	2,429	-	-
Derivative financial instruments	**(379)**	**484**	**-**	**-**
Equity derivatives	8	93	-	-
Currency derivatives	(137)	39	-	-
Debt derivatives	(250)	352	-	-
Investment funds	**11,097**	**16,652**	**161,744**	**167,646**
Dollar corporate bonds	-	-	22,415	28,659
Dollar sovereign bonds	-	-	49,881	55,365
Other sovereign bonds	3,989	-	-	-
Euro indexed equities	4,353	9,365	-	-
Dollar indexed equities	-	5,034	67,244	62,599
Other indexed equities	-	-	22,322	21,088
Other shares	2,755	-	-	-
Different euros	-	2,253	-	-
Dollar sundries	-	-	(118)	(65)
	74,346	**69,197**	**202,015**	**216,322**

The fair values stated above exclusively relate to quoted prices in active markets (level 1).
For the assets of the Netherlands, a breakdown is not available since these are investments made by the insurance company, that is the insurance contract underwritten in exchange for the pension benefits. In 2024, the fair value of these investments amounted to €564 thousand (2023: €447 thousand and at the balance sheet date 79% of the Dutch pension plan is funded.
Plan assets in Germany are administered by a trust fund. The investment strategy is aimed at optimizing returns limiting losses. An investment committee composed of fiduciary and company representatives supervises the administration and investment strategy of the funds that manage assets. At the balance sheet date, 37% of the pension plans is funded. Independent of its payment obligations to beneficiaries, Buzzi has the right to receive the dividends resulting from the annual results of the funds. The contribution to the trusts does not directly depend on the market values of the underlying obligations. Buzzi has the option to fund benefit obligations associated with the trusts out of the company's current

cash flow. The conditions linked to these commitments are continually adapted; benefits paid to beneficiaries will therefore decline further. The assets of these funds are comprised in the table showing the fair value of plan assets.
In the United States, plan assets are administered by a trust fund. The asset allocation strategy is aimed at optimizing returns on fund assets and is subject to specific risk management policies. Three members of local management form the "benefit committee", which is responsible for investment policy, managing the plan assets and ensuring compliance of the investments with legislation. The "benefit committee" periodically meets with a consultancy firm to whom the ordinary investment responsibilities have been assigned. All pension payments to beneficiaries are made from the assets themselves. For funded pension obligations, full coverage through plan assets is expected in the long-term; for the short to medium-term, coverage must not be less than 80% in order to avoid legally prescribed benefit curtailments. At the balance sheet date, some pension plans are fully funded, while others are 82% funded. Healthcare plan benefits are exclusively funded by provisions, therefore annual payments to beneficiaries are made out of the company's operating cash flow.

Expected contributions to post-employment benefits plans (including reimbursement rights on the part of the German entity) for 2024 amount to €10,603 thousand.

The maturity analysis for the same type of benefits is as follows:

(thousands of euro)	**Pension Plans**	**Healthcare plans**	**Employee severance indemnities**
Year 2025	28,882	4,781	767
Year 2026	28,529	4,816	943
Year 2027	28,937	5,010	532
Year 2028	28,817	5,061	733
Year 2029	28,924	5,056	959
Year 2030-2034	146,493	26,312	7,571
	290,582	**51,036**	**11,505**

In addition to forecasts of mortality and employee turnover based on current statistical insight, post-employment benefits and other long-term benefits are computed according to the following main actuarial assumptions, identified on the basis of independent sources that are constant over time:

	2024						2023					
(in %)	ITA	USA	GER	LUX	NLD	RUS	ITA	USA	GER	LUX	NLD	RUS
Pension plans discount rate	3.1	5.7	3.4	3.4	3.6	15.9	3.1	5.1	3.2	3.2	3.5	11.8
Salary growth rate	2.9	4.6	2.8	2.8	2.5	-	2.7	4.5	2.8	2.8	2.5	6.8
Pension growth rate	-	-	2.3	-	-	8.0	-	-	2.3	-	-	4.8
Healthcare discount rate	-	5.5	-	-	-	-	-	5.0	-	-	-	-
Medical cost growth rate	-	6.5	2.3	-	-	-	-	6.3	2.3	-	-	-

The assumptions listed above reflect the current economic period, and/or realistic expectations in each territory. The discount rate adopted is the rate applicable at the end of the reporting period for high quality fixed-interest securities or for corporate bonds with a term corresponding to the respective obligations for employee benefits.

The sensitivity of the defined benefit obligation to changes in the main assumptions is presented here below:

(thousands of euro)		Pension Plans	Healthcare plans	Employee severance indemnities
Salary growth rate				
	Increase 1%	3,772	-	-
	Decrease 1%	(5,101)	-	-
Discount rate				
	Increase 1%	(47,348)	(4,213)	(604)
	Decrease 1%	56,477	4,860	650
Pension growth rate				
	Increase 1%	16,624	-	-
	Decrease 1%	(15,425)	-	-
Medical cost growth rate				
	Increase 1%	-	2,852	-
	Decrease 1%	-	(2,585)	-
Mortality				
	Increase 1%	11,124	214	-
	Decrease 1%	(12,713)	(204)	-

39. PROVISIONS FOR LIABILITIES AND CHARGES

(thousands of euro)	Environmental risks and restoration	Antitrust	Legal claims Tax risks	Other risks	Total
At 1 January 2024	65,609	7,237	7,673	28,526	109,045
Additional provisions	4,036	-	5,563	10,128	19,727
Discount unwinding	806	-	-	-	806
Unused amounts released	(3,500)	-	(2,127)	(169)	(5,796)
Used during the year	(1,143)	-	(705)	(13,816)	(15,664)
Exchange differences	369	109	(201)	1,070	1,347
Reclassifications	-	-	143	(429)	(286)
Change in scope of consolidation	1,008	-	8,112	-	9,120
Other changes	1,106	-	(169)	-	937
At 31 December 2024	**68,291**	**7,346**	**18,289**	**25,310**	**119,236**

Total provisions can be analyzed as follows:

(thousands of euro)	Environmental risks and restoration	Antitrust	Legal claims Tax risks	Other risks	Total
Non-current	65,583	-	10,629	18,698	94,910
Current	2,708	7,346	7,660	6,612	24,326
	68,291	**7,346**	**18,289**	**25,310**	**119,236**

The environmental risks and quarry restoration provision includes the obligations for site reclamation, which are applicable to the locations where the extraction of raw materials takes place and for the fulfillment of requirements concerning quarries, safety, health and environment. Movements during the period include a provision of €2,904 thousand.

The provision for tax risks amounts to €12,915 thousand and reflects the probable liabilities following assessments and disputes over indirect and property taxes (note 49).

The other risks column includes the movement in the provision for CO_2 emission rights, which was fully utilized during the year for €5,877 thousand, corresponding to the emission rights surrendered to the competent authority. Due to lower production volumes, there was no shortfall against the free allocation of quotas, and no provision was recognized in 2024.

The same other risks column includes the amounts set aside by the individual consolidated entities in connection with miscellaneous contractual and commercial litigations and disputes, among which are restructuring costs for €3,206 thousand and workers compensation claims not covered by insurance for €18,515 thousand, such as indemnities paid to employees and compensation in case of accidents. The additions include €7,276 thousand for workers compensation claims not covered by insurance, against uses for the same reason of €7,535 thousand.

40. DEFERRED INCOME TAX ASSETS AND LIABILITIES

Net deferred tax liability consists of deferred tax liabilities, net of deferred tax assets, which have been offset, where possible, by the individual consolidated companies.

The net balance may be analyzed as follows:

(thousands of euro)	2024	2023
Deferred income tax assets:		
To be recovered after more than 12 months	(242,161)	(190,025)
To be recovered within 12 months	(78,495)	(27,371)
	(320,656)	(217,396)
Deferred income tax liabilities:		
To be settled after more than 12 months	577,272	483,858
To be settled within 12 months	39,209	21,132
	616,481	504,990
Net deferred income tax liabilities	**295,825**	**287,594**

Temporary differences and carryforwards that give rise to deferred tax assets and liabilities are analyzed as follows:

(thousands of euro)	2024	2023
Deferred income tax assets related to:		
Provisions for liabilities and charges	(16,739)	(13,558)
Trade receivables	(1,653)	(1,511)
Employee benefits	(21,883)	(23,678)
Long-term debt	(5,012)	(8,310)
Property, plant and equipment	(5,966)	(5,545)
Inventories	(10,679)	(10,061)
Tax loss carryforwards (theoretical benefit)	(125,610)	(123,939)
Interest expense carryforwards (theoretical benefit)	(69,653)	(7,549)
Other	(76,337)	(42,745)
Total deferred income tax assets	**(333,532)**	**(236,895)**
Valuation allowances	12,876	19,499
Net deferred income tax assets	**(320,656)**	**(217,396)**
Deferred income tax liabilities related to:		
Accelerated depreciation	200,015	167,393
Employee benefits	1,891	61
Other intangible assets	29,267	5,803
Property, plant and equipment	329,326	290,111
Inventories	4,290	5,969
Gains on disposal of fixed assets	-	789
Financial assets	2,728	2,636
Other	48,964	32,228
Total deferred income tax liabilities	**616,481**	**504,990**
Net deferred income tax liabilities	**295,825**	**287,594**

The deferred tax liability related to property, plant and equipment refers mainly to the positive differential that in 1999, year of the acquisition, Dyckerhoff allocated to the raw material reserves of Lone Star Industries, following the business combination with that company.

The company recognizes deferred tax liabilities on undistributed profits of associates.
No deferred tax liabilities have been recognized on undistributed earnings of subsidiaries and joint ventures, on which any distribution would result in the payment of related income taxes. These accumulated profits, amounting to approximately €3.5 billion, do not contribute to the composition of deferred tax liabilities since distribution is unlikely in the foreseeable future.

Deferred tax assets on tax loss carryforwards (and in Italy, interest expense carryforwards) reflect an updated assessment of their future recoverability. In this context, during the year, deferred tax assets on tax loss carriyforwards (and interest expense carryforwards) were recognized in the amount of €92,386 thousand, pertaining to the Italian subsidiaries.

The movement in deferred tax assets and liabilities during the year, taking into consideration the offsetting of balances within the same tax jurisdiction, is summarized in the following table:

(thousands of euro)	**2024**	**2023**
At 1 January	287,594	336,940
Income statement charge (credit)	(63,241)	(30,842)
Statement of comprehensive income charge (credit)	4,456	(4,007)
Exchange differences	18,639	(14,497)
Change in scope of consolidation	48,377	-
At 31 December	**295,825**	**287,594**

The change in scope of consolidation is represented by deferred tax liabilities arising from the provisional allocation to intangible and tangible assets, such as customer lists and mining rights, as well as property, plant and equipment recognized in the financial statements following the business combination for the acquisition of the remaining 50% of Nacional Cimentos Participações SA (note 51), in addition to those directly recorded in the financial statements of the Brazilian subsidiaries.

41. OTHER NON CURRENT LIABILITIES

(number of shares)	2024	2023
Purchase of equity investments	41	121
Non-controlling interests in partnerships	1,352	1,618
Payables to personnel	542	527
Other	2,722	2,743
	4,657	**5,009**

Other non-current liabilities are all due within five years from the balance sheet date, except for the caption non-controlling interests in partnerships, whose maturity is indefinite. The carrying amount of the line item is deemed to approximate its fair value.

42. TRADE PAYABLES

(thousands of euro)	2024	2023
Trade payables	336,457	313,959
Other trade payables:		
To associates	1,111	1,770
	337,568	**315,729**

Trade payables are non-interest-bearing and are generally due within 90 days.

43. INCOME TAX PAYABLES

This item reflects current income tax liabilities, net of advances, withholdings and tax credits.

44. OTHER PAYABLES

(thousands of euro)	2024	2023
Advances	6,115	6,441
Purchase of equity investments	64,455	-
Payables to social security institutions	21,000	17,836
Payables to personnel	48,923	45,566
Payables to customers	7,457	7,206
Deferred interest income	-	7
Other accrued expenses and deferred income	16,231	10,331
Tax payables	20,988	18,992
Financial tax payables	17,189	17,065
Other	16,196	12,900
	218,554	**136,344**

Purchase of equity investments refers to the exercise of a put option, which occurred in conjunction with the completion of the agreement for the acquisition of the remaining 50% of Nacional Cimentos Participações SA, by minority shareholders of a subsidiary within the Brazilian group. The agreement was executed in the early months of 2025 (note 54).

Payables to customers are represented by contractual liabilities, namely short-term advances received following the sale of products and by the volume rebates settled in a separate transaction with the customer.

Deferred income relates to operating revenues pertaining to the following period.

The caption tax payables includes the credit balance of periodic value added tax for €6,889 thousand (2023: €6,263 thousand).

Financial tax payables mainly relate to the pending litigation with the municipality of Guidonia (Rome) regarding Italian property taxes (note 49).

45. CASH GENERATED FROM OPERATIONS

(thousands of euro)	2024	2023
Profit before tax	**1,093,209**	**1,140,869**
Adjustments for:		
Depreciation and amortization	272,339	248,237
Impairment charges	1,907	10,188
Equity in earnings of associates and joint ventures	(147,131)	(161,236)
Gains on disposal of fixed assets	123,072	(14,150)
Net change in provisions and employee benefits	(21,084)	(55,485)
Net finance revenues (costs)	(74,885)	5,398
Other non-cash movements	(124)	32
Changes in operating assets and liabilities:		
Inventories	(64,622)	(91,882)
Trade and other receivables	23,700	(20,035)
Trade and other payables	(28,112)	(12,258)
Cash generated from operations	**1,178,269**	**1,049,678**

46. FINANCING ACTIVITIES

The variations in the items included in the financing activities of the cash flow statement are detailed as follows:

			Cash			Non-cash			
(thousands of euro)	Note	Beg balance	Proceeds	Repay-ment	Accruals	Exchange differen-ces	Fair value	Other	Ending balance
Long-term debt									
Assisted loans from collateral	37	-	-	-	15,434	(869)	-	(2,474)	12,091
Unsecured term loans	37	338,697	149,526	(12,721)	-	7,771	251	(167,229)	316,295
		338,697	**149,526**	**(12,721)**	**15,434**	**6,902**	**251**	**(169,703)**	**328,386**
Current portion of long-term debt									
Secured term loans	37	-		(7,253)	20,784	(1,135)	348	2,474	15,218
Unsecured term loans	37	265,226	-	(252,599)	-	-	90	167,228	179,945
		265,226	**-**	**(259,852)**	**20,784**	**(1,135)**	**438**	**169,702**	**195,163**
Total from Statement of Cash Flows		**-**	**149,526**	**(272,573)**	**-**	**-**	**-**	**-**	**-**
Short-term debt									
Bank debts	37	-	-	-	2,478	-	-	-	2,478
Accrued interest expense	37	4,965	-	(4,965)	4,736	-	-	-	4,736
		4,965	**-**	**(4,965)**	**7,214**	**-**	**-**	**-**	**7,214**
Total from Statement of Cash Flows		**-**	**-**	**2,249**	**-**	**-**	**-**	**-**	**-**
Lease liabilities									
Lease liabilities	20	56,577	15,406	(1,305)		2,829	-	(18,300)	55,207
Current portion of lease liabilities	20	19,651	2,236	(21,720)		563	-	20,865	21,595
		76,228	**17,642**	**(23,025)**	**-**	**3,392**	**-**	**2,565**	**76,802**
Total from Statement of Cash Flows		**-**	**-**	**(23,025)**	**-**	**-**	**-**	**-**	**-**
Non-current financial liabilities									
Others	41	3,402	-	841	-	(8,245)	-	7,889	3,887
Total from Statement of Cash Flows		**-**	**-**	**(7,404)**	**-**	**-**	**-**	**-**	**-**
Changes in ownership interests without loss of control		**-**	**-**	**(604)**	**-**	**-**	**-**	**-**	**-**
Dividends paid to owners of the company	**47**	**-**	**-**	**(110,961)**	**-**	**-**	**-**	**-**	**-**
Dividends paid to non-controlling interests		**-**	**-**	**(121)**	**-**	**-**	**-**	**-**	**-**

47. DIVIDENDS

Dividends declared by the shareholders' meeting in 2024 and 2023 were respectively €110,961 thousand (60 eurocent per share) and €74,053 thousand (45 eurocent per share).

As for the year ended 31 December 2024 the board of directors is proposing to the Annual General Meeting of 13 May 2025 a dividend of 70 eurocent per share. Therefore, expected dividend distribution amounts to a total of €126.717 thousand. These financial statements do not reflect such payable to the shareholders.

48. COMMITMENTS

(thousands of euro)	2024	2023
Guarantees granted	7,491	27,242
Other commitments and guarantees	171,839	113,365
	179,330	**140,607**

Guarantees granted include commitments toward banks in favor of investee companies.

Capital expenditure contracted for at the balance sheet date to acquire property, plant and equipment amounts to €171,839 thousand (2023: €113,365 thousand). It can be basically traced back to different modernization projects in the United States (€102,338 thousand), Italy (€24,882 thousand, Russia (€21,606 thousand), Germany (€12,583 thousand), Poland (€7,500 thousand), Luxembourg (€1,186 thousand), the Czech Republic (€1,744 thousand).

The total of future minimum payments due on short-term operating lease contracts, low-value assets and other contracts outside the scope of IFRS 16 (mainly represented by leasing of quarry land and railcars) can be broken down as follows:

(thousands of euro)	2024	2023
Within 1 year	3,179	4,953
Between 1 and 5 years	5,434	9,420
Over 5 years	22,484	31,248
	31,097	**45,621**

49. LEGAL CLAIMS AND CONTINGENCIES

Buzzi is exposed to legal risks, stemming from the variety and complexity of the norms and regulations that apply to the industrial operations of the group, particularly in the areas of environment, health, safety, product liability, taxation and competition. Consequently, there are claims arising in the normal course of business that are pending against the group. While it is not feasible to predict in a precise way the outcome of any case, it is the opinion of management that the ultimate dispositions will not have a material adverse effect on the group's financial condition. Instead, when it is likely that an outflow of resources is required to settle obligations and the amount can be reliably estimated, the group recognizes specific provisions for this purpose.

Fiscal

In 2016 the company was subject to audit by the Revenue Service for the year 2012 and controls on subsequent years (from 2013 to 2017). The Revenue Service followed-up in December 2017, December 2018, July 2019 and April 2024 by notifying assessment notices i) relating from 2012 to 2017 financial years, containing remarks on the corporate income tax (IRES) and ii) for the financial years 2012 to 2016 containing remarks on the regional tax on production activities (IRAP). The greater taxable amount contested in the notices of assessment refers to the failure to charge a royalty to Buzzi's foreign subsidiaries in the USA and Germany for the use of the corporate logo. For IRES and IRAP purposes, the higher taxable amount established for the six years totals approximately €86,8 million. For IRES purposes, for all six years the declared tax loss is higher than the disputed amounts, therefore no higher IRES, interest or penalties are due. On the other hand, for IRAP purposes, the assessment entails a request, only for the years 2012, 2013 and 2014, for higher taxes and interest for approximately €2.0 million. For the years 2015 and 2016 the declared negative taxable amount is higher than the disputed amounts, therefore for these financial years no higher IRAP, interests and penalties are due. It should be noted that the company has always submitted transfer pricing documentation for the fiscal years under dispute, with the corresponding recognition by the Revenue Service of the non-application of penalties. Therefore, with the exception of minor findings related to the 2012 fiscal year that do not concern intercompany transactions, no penalties have been imposed by the Service. The company has filed an appeal against the assessment notices referred to the years from 2012 to 2017 in the legal deadlines. The company has, for the years in litigation from 2012 to 2016, requested the initiation of the 'mutual agreement procedure' (MAP) provided for in the treaties in force with the Countries involved, considering that the defense elements are well-grounded and sound and the risk of losing is remote. In March 2024, the company submitted a request for the initiation of a mutual agreement procedure (MAP) for the year 2017 as well.

Following the conclusion of the 'mutual agreement procedure' (MAP) with the United States for the years from 2012 to 2016, the Revenue Service on 26 November 2021 communicated that the competent Italian and US authorities agreed to redetermine the adjustments by the Italian tax administration to a significantly more favorable extent than the remarks made during the assessment, with a partial recognition of this adjustment by the US authority. The company decided to accept this agreement, but its execution with the United States will be carried out at the conclusion of the mutual agreement procedure still in place on the same issues with Germany. The company, therefore, set aside the higher tax deriving from the acceptance of the agreement with the United States to provision for risks and charges, while maintaining the registration, made in previous years, of the receivable for the sums paid on a provisional basis pending judgment, until the final conclusion of the dispute.

On 22 July 2024, following a targeted inspection of the company, the Italian Revenue Service – Regional Directorate of Piedmont – Major Taxpayers' Officedelivered a Tax Assessment Report (PVC) containing observations on transfer pricing for the 2018 fiscal year. In particular, the adjustments for 2018 for IRES purposes amount to €11.1 million, of which €10.2 million relate to trademark royalties, €0.6 million to interest on financing and €0.3 million to the sale of finished products. The adjustments for IRAP purposes

in 2018 amount to €10.5 million, corresponding to the sum of the adjustments related to trademark royalties and the sale of finished products.
The Revenue Service acknowledged that the transfer pricing documentation is sufficient to allow for exemption from penalties. In March 2025, the company received two Tax Assessment Notices for IRES and IRAP, related to the 2018 fiscal year. The findings and contested amounts are the same as those in the Tax Assessment Report (PVC) and the supporting reasons remain unchanged. The additional taxable income for IRES in 2018, amounting to €11.1 million, would be reduced to €2.2 million after offsetting available tax losses, resulting in an additional IRES liability of €0.5 million. The additional taxable income for IRAP, amounting to €10.5 million, is lower than the IRAP loss recorded for 2018, therefore, no amount is due. The company will file an appeal within the legal deadlines and will evaluate the initiation of the mutual agreement procedure (MAP) for the 2018 fiscal year as well.

Between 2015 and 2023 the municipality of Guidonia Montecelio (Rome) notified Buzzi some notices of assessment related to higher ICI/IMU and TASI, besides penalties and interests, regarding the years from 2008 to 2022 for a total amount of approximately €30.5 million. The municipality bases its request on the assumption that the land belonging to Buzzi which is used to quarry raw materials can be comparable, for the purpose of local property taxes, to land for development. Considering this request as incorrect and, subordinately, that the market values of the aforementioned properties used as a reference for the calculation of the tax are completely unfair, the company challenged all the tax deeds received before the competent Tax Courts of Justice. Tax Court of First Instance of Rome and Regional Court of Second Instance of Lazio have filed several unfavorable judgments to the company, which Buzzi, considering that it has valid reasons, challenged. In this regard, the first rulings by the Court of Cassation have been issued, with partially positive outcomes. The cases were remanded to the Tax Court of Second Instance to reassess the actual market value of all the lands. Furthermore, it was established that only the penalty for failure to declare is applicable, with the application of the legal cumulation of penalties for continued offenses. The appeals for reconsideration before the Tax Court of Second Instance have been properly filed and are ongoing. With reference to some of the years for which Buzzi was losing at the outcome of the first or the second instance judgment, the municipality ordered the provisional payment of an amount of approximately €4.9 million, which the company paid in full, as well as of an amount of approximately €3.1 million which was partly not due as a result of the judgment at second instance. In any case, Buzzi will request the reimbursement of the amounts paid on a provisional basis which, following the respective appeal proceedings, were not or will not be due. The company fully recorded the higher taxes in the balance sheet, with the related interest and penalties, to the extent required for all the years in which the appeals were rejected. The company, finally, keeps in the balance sheet the amounts requested always by the Municipality of Guidonia Montecelio (Rome) with the immediately enforceable notices of assessment.
In Brazil, several proceedings are ongoing against Companhia Nacional de Cimento – CNC, Companhia de Cimento da Paraíba – CCP and Companhia de Cimento Campeão Alvorada – CCA, local subsidiaries, arising from the cancellation by the federal Revenue Service and by some Brazilian states of tax credits related to some industrialized products and fixed assets acquired between 2013 and 2023. These include, in particular, petcoke, refractories, conveyor belts, grinding balls and plant components. The total amount under dispute is €18.4 million. The companies submitted their defenses and/or appeals, depending on the stage of the proceedings, also requesting the annulment of administrative proceedings that had already been concluded with unfavorable outcomes. These lawsuits were initiated in 2015 and later between 2021 and 2024. The federal and state Revenue Services filed their defenses, and the first-instance court has yet to issue a decision. The companies consider the risk of unfavorable decisions possible but not probable. Therefore, no provisions have been recorded in the financial statements.
In 2021, following the acquisition of all CRH Group subsidiaries in Brazil, Companhia Nacional de Cimento – CNC succeeded CRH as the defendant in some lawsuits and administrative proceedings

initiated by the Brazilian Mining Agency. . These proceedings seek additional taxation on the company's mining exploration activities carried out between 1991 and 2013. The tax claims arise from a divergence in the interpretation of the legal provisions concerning the stage of the mining production process considered as the final processing phase prior to industrial transformation for tax calculation purposes. The total amount under dispute is €5.6 million. All ongoing administrative proceedings have resulted in favorable decisions for the Revenue Service and the company has filed appeals, which have not yet been reviewed by the Second Administrative Instance. Additionally, there are three lawsuits in which CCA is seeking the annulment of previous administrative proceedings that were already closed with unfavorable outcomes. In the most significant of these ones, a court-appointed expert has issued a report that the company views as favorable, as the mining production phase considered for tax purposes in the report, although not precisely matching the company’s interpretation, is still very close to it. A provision recorded at the time of CRH's entry into the Brazilian market has nonetheless been retained in the financial statements.

Antitrust

As regards the antitrust fine of €59.8 million imposed on 7 August 2017 on Buzzi and other cement companies for having created an alleged anti-competitive agreement, which lasted from June 2011 until January 2016, it should be pointed out that, on 21 December 2023, the European Court of Human Rights (ECHR) declared as inadmissible the appeal for the request for compensation presented on 22 May 2020. The Court's decision is final and cannot be subject to further appeals. In relation to the actions sanctioned by the Italian Antitrust Authority, Buzzi has received several letters requesting compensation, to which it has always replied rejecting all charges. To date, the company has pending proceedings for damages as a result of the alleged overcharge paid following the agreement sanctioned by the Italian Antitrust Authority, for a total amount of approximately €24 million, in addition to three summons (relating to a plurality of plaintiffs) for a total of approximately €109 million, of which about €13 million directly attributable to Buzzi. The company, as mentioned, believes that it has acted in full compliance with antitrust regulations and has therefore appealed before the court to prove its non-involvement in any violation.

Against the decision of the Antitrust Authority of Poland concluded by imposing sanctions on 6 producers, including the subsidiary Dyckerhoff Polska, for an amount of approximately €15 million, an appeal was filed before the Regional Court of Warsaw which ruled in December 2013 reducing the fine to approximately €12.3 million. Dyckerhoff Polska appealed against the recalculation of the penalty. The Court of Appeal, following a procedure of consultation with the Polish Constitutional Court, summarized the proceeding in January 2018 and in the hearing of 27 March 2018 decided to further reduce the fine to approximately €7.5 million, which have been fully paid. The company, once the motivations for the judgment had been acquired, decided to challenge the decision before the Supreme Court. On 29 July 2020, the Supreme Court cancelled the decision of the Court of Appeal and referred the case back to the same Court for a reconsideration of the sanction. As a result of this decision, the penalty paid was reimbursed to the company, but based on the motivations of the Supreme Court, it is likely that a new penalty for a similar amount will be imposed. The company has therefore recorded a provision equal to the reimbursed penalty in the financial statements. On 21 May 2021, the Court of Appeal decided to refer the proceedings to the Warsaw Regional Court for further investigation. The decision was appealed by the Polish Antitrust Authority and then deferred by Supreme Court with decision of 15 March 2023 to the European Court of Justice for the assessment of a dispute by Cemex Poland on the composition of the Court itself. The European Court of Justice deemed the matter inadmissible and referred the case back to the Polish Supreme Court, which, having resolved the issue of its composition, must now rule on the appeal of the Polish Antitrust Authority.

Environmental

As regards the measures adopted for the remediation of the Augusta (Siracusa) roadstead, the land areas and the respective underneath aquifers, Buzzi is involved in a number of proceedings before the Regional Administrative Court (TAR) of Sicily – Catania division – and the Administrative Justice Council of Sicily (CGARS) against the former Ministry for Environment, Land and Sea Protection and various public and private entities, which were subsequently closed due to lack of interest following the favorable rulings obtained. In particular, the TAR of Sicily, Catania, with judgment dated 11 September 2012, not appealed by the Ministry, acknowledged that the company was not involved at all in the pollution of the Augusta roadstead and, on the basis of this ruling, at the end of 2017 the Ministry warned the other companies operating on the Augusta roadstead, with the exception of Buzzi, to clean up the roadstead. Furthermore the CGARS, with sentence of 15 November 2018, established the need to correctly re-determine the responsibilities of the companies operating on the Augusta roadstead, making reference to the various positions, including that of Buzzi. Also following this judgement, no further involvement of the company followed in relation to the remediation of the roadstead, with respect to which the absence of a causal link with the production cycle of the Augusta cement plant seems to be consolidated. In conclusion, any potential critical issues seem to be limited to Buzzi's involvement in the remediation of the land areas and the aquifer, about which the company has carried out on its own, qualifying itself as the guiltless owner of the contamination, the procedural formalities aimed at the characterization, risk analysis and remediation and/or permanent safety enhancement of land areas and the portions of the aquifer concerned. These obligations, on which the Ministry of the Environment has expressed a positive opinion, with prescriptions, also through decision-making meetings, which the company has not contested, are in progress without any new relevant critical issue emerging during the monitoring activities.
Waiting for the developments related to the above actions, in consideration of the fact that Buzzi has so far voluntarily taken care of the remediation process, and that no specific requests from the Public Administration have emerged in recent years, it has been decided to maintain a provision for risks of €1.5 million.

In the United States of America, numerous lawsuits and claims exist that have been filed against Lone Star Industries, Inc. (LSI) regarding silica-containing or asbestos-containing materials sold or distributed by the company or its subsidiaries in the past and used primarily in construction and other industries. The plaintiffs allege that the use of such materials caused work-related injuries. LSI maintained product liability and comprehensive general liability insurance coverage, to the extent available, for most of the time that it sold or distributed silica-containing and asbestos-containing materials. Further, between 2009 and 2010, LSI and its major insurance carriers entered into settlement agreements that define the parties’ responsibilities and cost shares for these liabilities until amended or terminated in accordance with their terms. LSI and the insurance carriers are in the process of negotiating amendments to the settlement agreements. The insurance carriers continue to follow the settlement agreements and no carrier has provided notice of termination. Estimating the costs associated with silica-related and asbestos-related claims involves many uncertainties that affect the amount and timing of any losses. In addition, LSI has exhausted coverage under certain insurance policies. The company however maintains a provision for amounts not expected to be covered by insurance.

Other legal proceedings

Our Luxembourg subsidiary Cimalux SA has been sued by the the bankruptcy trustee of an investment sold in December 2008 for €0.5 million as part of the sale price paid to the same Cimalux. The request, also made against the notary who had drawn up the sale contract in 2008, is based on the alleged nullity of the sale contract as it was concluded during the insolvency dispute period. The Court of First Instance rejected the request against Cimalux, but accepted the request against the notary who appealed against this decision. The bankruptcy trustee also filed an appeal.

Contrary to the decision of the first-instance judge, on 6 January 2025, the Court of Appeal ruled that Cimalux must reimburse the buyer for the sale price, along with interest from 9 December 2009 and the costs of the insolvency proceedings. Furthermore, the court declared that Cimalux's right of recourse against the notary was time-barred. The company is currently assessing the prospects of success for a potential appeal to the Court of Cassation.

In 2021, following the acquisition by Companhia Nacional de Cimento (CNC), a Buzzi subsidiary, of all CRH entities in Brazil, CNC took over from CRH as the defendant in a lawsuit filed in 2013 by a workers' trade association. The lawsuit concerns payments related to hazardous, unhealthy and night work benefits for some employees of former CRH, covering the period from 2008, for a total of €1.0 million. The First-Instance Court dismissed the claims related to night work but upheld those related to hazardous and unhealthy work conditions. The Second-Instance Court confirmed the First-Instance decision, and both the plaintiff and the defendant have appealed to the Third-Instance Court, which has yet to issue its ruling.

50. RELATED PARTY TRANSACTIONS

The company assembles the professional skills, the human resources and the equipment that make it possible to provide assistance to other subsidiaries and associates.

Buzzi regularly carries out trading transactions with a number of associates and/or joint ventures, which mainly consist of both the sale and purchase of finished goods, semi-finished products, raw materials to entities operating in the business of cement and ready-mix concrete. Furthermore, the company provides upon request to the same entities technical and engineering services. Goods are sold on the basis of the price lists in force with non-related parties and services are rendered on a cost-plus basis. There are also some transactions of financial nature with investee and parent companies; equally, they have normal terms and interest rate conditions.

The relationship with the parent company Fimedi SpA and its subsidiaries or other entities that are significantly influenced by individuals with significant voting power in Fimedi SpA, consists in the rendering of services in the area of administration, taxation, legal affairs, payroll and information systems, for limited amounts.

The company and its Italian subsidiaries Unical SpA and Buzzi Unicem Srl are members of a controlled group of corporations for domestic income tax purposes, with Fimedi SpA acting as the parent.

Set out below are the main transactions carried out with related parties and the corresponding year-end balances:

(thousands of euro)	2024	in % of reported balance	2023	in % of reported balance
Sales of goods and services:	69,032	1.6	66,861	1.5
associates and unconsolidated subsidiaries	45,196		40,971	
joint ventures	23,571		25,792	
parent companies	29		29	
other related parties	236		69	
Purchases of goods and services:	92,037	3.7	92,485	3.6
associates and unconsolidated subsidiaries	90,909		90,819	
joint ventures	234		1,009	
other related parties	894		657	
Finance revenues:	111	0.0	3,933	4.0
associates and unconsolidated subsidiaries	111		21	
joint ventures	-		3,912	
Trade receivables:	17,243	2.9	19,299	3.4
associates and unconsolidated subsidiaries	11,068		10,119	
joint ventures	6,078		9,060	
parent companies	17		35	
other related parties	80		85	
Loans receivable:	6,574	22.1	222,685	93.1
associates and unconsolidated subsidiaries	6,574		2,868	
joint ventures	-		219,817	
Other receivables:	40,832	22.3	34,213	12.2
associates and unconsolidated subsidiaries	53		163	
joint ventures	770		797	
parent companies	40,009		33,253	
Trade payables:	7,158	2.1	6,250	2.0
associates and unconsolidated subsidiaries	7,120		6,162	
joint ventures	38		88	
Other payables:	29,020	13.0	23,955	16.9
associates and unconsolidated subsidiaries	1		1	
parent companies	29,019		23,954	
Guarantees granted:	1,500		23,035	
joint ventures	1,500		23,035	

Key management personnel comprises the directors of the company (whether executive or non-executrive) and the statutory auditors. The Board of Directors identifies key management personnel as including the Chief Executive Officer (CEO), the Chief Operating Officer (COO) and the Chief Technology Officer (CTO). Their remuneration, not included in the previous table, is presented below:

(thousands of euro)	2024	2023
Salaries and other short-term employee benefits	2,788	4,210
Post-employment benefits	1,041	741
	3,829	**4,951**

For a complete and detailed description of the remuneration paid to directors, reference should be made to the Report on remuneration policy and compensation paid, available at the company's registered office and on its website.

51. BUSINESS COMBINATION

Since 2018, Buzzi had held joint control over Nacional Cimentos Participações SA, a holding company of a group that produces and sells cement through seven plants operating in Brazil - one in the northeastern region (state of Paraíba) and the others in the southeastern region (states of Minas Gerais and Rio de Janeiro). Concurrently with the original purchase agreement, Buzzi SpA (formerly Buzzi Unicem SpA) and Brennand Cimentos, an equal partner, had signed a shareholders' agreement that provided for the potential future exercise of put and call option rights on the remaining 50% stake still held by Brennand Cimentos.
The put and call option represented a derivative financial instrument, whose value in the financial statements was calculated as the difference between the option's exercise price and the fair value of the shares to be acquired.

On 3 October 2024, following the exercise of the put option by the Brazilian counterparty, Buzzi completed the acquisition of the remaining 50% of Nacional Cimentos Participações SA. The transaction was carried out through a newly established Brazilian company, Buzzi Participações SA, which is wholly owned by Buzzi SpA.
Simultaneously with the completion of the transaction, a put option was also exercised by certain minority shareholders who held a 15% stake in one of the group's companies, Nacional Cimentos Paraíba SA (Note 54).

By virtue of this agreement, Buzzi SpA acquired, directly and indirectly, 100% control of Nacional Cimentos Participações SA, which was previously valued in the consolidated financial statements using the equity method.

For the purposes of preparing these consolidated financial statements, the transaction was accounted for in accordance with IFRS 3. Since it was a step acquisition, the company, in determining the goodwill arising from gaining control, considered:

- the remeasurement at fair value, as of 3 October 2024, of the 50% stake previously held by Buzzi in Nacional Cimentos Participações SA before reaching full ownership. The effects of this remeasurement resulted in a positive impact on the consolidated income statement of €168.083 thousand, adjusted for the release of the foreign currency translation reserve previously recognized in equity (€45.996 thousand, note 16). The company thus measured the fair value of the previously held investment as a whole;

- the consideration paid by Buzzi to acquire the remaining 50% stake in Nacional Cimentos Participações SA.

Given the significance and complexity of the acquisition, as well as the structured nature of the Brazilian group, the allocation recorded in these consolidated financial statements is considered provisional, in accordance with IFRS 3.
The transaction, accounted for using the exchange rate as of 3 October, resulted primarily in the recognition of intangible assets, including a customer list (€57.077 thousand) and extraction rights (€21.171 thousand), as well as property, plant and equipment (€99.137 thousand), along with the related deferred tax effects (€59.683 thousand). We relied on the support of a leading consultancy firm for the estimations.
In accordance with IFRS 3, the final determination of the fair value of the business combination will be completed within 12 months from the acquisition date, also considering the still ongoing valuation processes.
The remaining difference versus the acquisition cost was therefore provisionally allocated to goodwill, which was subject to the year-end impairment testing (as indicated in note 19) without identifying any need to record impairment losses.

Below are the key details regarding the investment in Nacional Cimentos Participações SA as of the acquisition date.

(thousands of euro)	**3 October 2024**
Book value in equity evaluation as of 30 September 2024	172,657
Revaluation at fair value of the previously held investment	168,083
Consideration paid for the residual 50%	301,754
Price to be paid for the purchase of minorities (15% of Nacional Cimentos Paraíba SA)	66,970
Total cash out [A]	**709,464**
Total net assets [B]	**324,674**
Goodwill [A] - [B]	384,790

The allocation of the fair value of the acquired assets and liabilities is detailed below:

(thousands of euro)	Book value	Adjustments	**Fair value**
Assets			
Non-current assets			
Goodwill	85,050	(85,050)	-
Other intangible assets	17,152	78,248	95,400
Right-of-use assets	2,568	-	2,568
Property, plant and equipment	274,082	99,137	373,219
Investments in associates and joint ventures	9,591	-	9,591
Deferred income tax assets	13,654	-	13,654
Other non-current assets	12,456	-	12,456
	414,553	**92,335**	**506,888**
Current assets			
Inventories	62,416	-	62,416
Trade receivables	33,718	-	33,718
Other receivables	7,730	-	7,730
Cash and cash equivalents	87,986	-	87,986
	191,850	**-**	**191,850**
Total Assets	**606,403**	**92,335**	**698,738**
Total net assets	**292,022**	**32,652**	**324,674**
Liabilities			
Non-current liabilities			
Long-term debt	15,434	-	15,434
Lease liabilities	974	-	974
Provisions for liabilities and charges	9,585	-	9,585
Deferred income tax liabilities	2,348	59,683	62,031
Other non-current liabilities	218,178	-	218,178
	246,519	**59,683**	**306,202**
Current liabilities			
Current portion of long-term debt	20,784	-	20,784
Current portion of lease liabilities	1,756	-	1,756
Trade payables	24,609	-	24,609
Income tax payables	730	-	730
Other payables	19,983	-	19,983
	67,862		**67,862**
Total Liabilities	**314,381**	**59,683**	**374,064**
Total Equity and Liabilities	**606,403**	**92,335**	**698,738**

Directly attributable costs related to the business combination, recognized in the income statement, amount to €466 thousand.

Had the above-mentioned acquisition taken place on 1 January 2024, consolidated net sales would have amounted to €4,601,213 thousand and net profit to €965,623 thousand.

52. TRANSPARENCY REQUIREMENTS

The law 124/2017 art. 1, paragraphs 125-129, as modified by the law 58/2019, art. 35, introduced some new disclosure requirements regarding the transparency of public funds received not of a general nature and without consideration, remuneration or compensation nature. In particular, for companies, the legislation requires the publication in the notes to the financial statements of all the economic benefits, of an amount equal to or greater than €10,000, received from public resources.

Subsequently, the law 12/2019, art. 3 quater, paragraph 2, with the aim of simplifying the disclosure requirements foreseen for the companies benefiting from the subsidies, provided that the recording of state and de minimis aids in the National State Aid Register, referred to in article 52 of the law 234/2012, replaces the duty to indicate them in the notes to the financial statements, asking the beneficiaries to simply declare the existence of such aids in the aforementioned Register.

It should be noted that Buzzi meets the requirements of the Ministerial Decree of 21 December 2017 containing "Provisions regarding the reduction of tariffs to cover the general system charges for energy-intensive companies", as well as those provided for by the Authority Resolution 921/2017/R/eel as subsequently amended.

For the purposes of transparency and control of State aid, CSEA as providing entity will register the concessions granted in application of the Ministerial Decree into the National State Aid Register, to which reference should therefore be made for the information required by the regulation:
https://www.rna.gov.it/RegistroNazionaleTrasparenza/faces/pages/TrasparenzaAiuto.jspx.

In addition to what is indicated in the National State Aid Register, "Transparency" section, the following additional grants have been received:

Paying entity (thousands of euro)	Amount of the economic benefit granted	Description of the kind of benefit granted
Enimoov SpA	155	Reimbursement of excise duties on diesel for industrial use
Cuneo (IT) Customs Agency	211	Credit for power production tax
INPS National Institute for Social Security - Public administrations IPA	14	INPS - for the stabilization of fixed-term contracts Law 92/2012 and subsequent amendments

53. OTHER INFORMATION

Material non-recurring events and transactions

As stated in the review of operations, the year 2024 was affected by material non-recurring events and transactions, as defined by Consob Communication No. DEM/6064293 of 28 July 2006, with a net positive impact on EBITDA equal to €4,453 thousand.
The disposal of the Ukrainian operations and the acquisition of the remaining 50% of Nacional Cimentos Participações and its subsidiaries did not result in any non-recurring impact on EBITDA and are discussed in Notes 15 and 51.

Atypical and/or unusual transactions

Please note that Buzzi did not carry out atypical and/or unusual transactions during the year ended 31 December 2024, as defined in Consob Communication no. DEM/6064293 of 28 July 2006.

Net financial position

The Group's net financial position as at 31 December 2024 is as follows:

(thousands of euro)	2024	2023
Cash and short-term financial assets:		
Cash and cash equivalents	1,410,439	1,120,712
Other current financial receivables	14,557	150,429
Short-term financial liabilities:		
Current portion of long-term debt	(195,163)	(265,226)
Current portion of lease liabilities	(21,595)	(19,651)
Short-term debt	(7,214)	(4,965)
Other current financial liabilities	(81,644)	(17,072)
Net short-term cash	**1,119,380**	**964,227**
Long-term financial liabilities:		
Long-term debt	(328,386)	(338,697)
Lease liabilities	(55,207)	(56,577)
Derivative financial instruments	-	(4,787)
Other non-current financial liabilities	(41)	(121)
Net cash (debt)	**735,746**	**564,045**
Long-term financial assets:		
Other non-current financial receivables	19,409	233,918
Positive net financial position	**755,155**	**797,963**

The disclosure of Net cash is in line with the guidelines issued by ESMA and adopted by Consob with Warning Notice No. 5/21 dated 29 April 2021.

Components of net financial position

Set out below is the reconciliation of those net financial position components not directly inferable from the line items in the balance sheet scheme.

(thousands of euro)	Note	2024	2023
Other current financial receivables		**14,557**	**150,429**
Receivables from unconsolidated subsidiaries and associates	29	1,853	2,680
Receivables from sale of equity investments	29	8,000	-
Loans to third parties and leasing	29	92	334
Accrued interest income	29	3,174	6,214
Current financial assets	29	1,438	141,201
Other current financial liabilities		**(81,644)**	**(17,072)**
Purchase of equity investments	44	(64,455)	-
Financial tax payables	44	(17,189)	(17,065)
Deferred interest income	44	-	(7)
Other non-current financial receivables		**19,409**	**233,918**
Loans to third parties and leasing	26	4,564	4,404
Loans to associates and joint ventures	26	4,710	220,005
Loans to customers	26	10,135	9,509
Other non-current financial liabilities		**(41)**	**(121)**
Purchase of equity investments	41	(41)	(121)

54. EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred after the reference date of the financial statements, except for the following:

- 20 January 2025: completion of the acquisition of 100% of the holding company ETP Paraíba Participações SA, which held the remaining 15% stake in Nacional Cimentos Paraíba SA; the related amount paid has already been recognized in these financial statemente as a financial liability (note 44);

- 31 January 2025: closing of the agreement between Alpacem Cementi Italia, an Italian company belonging to the Austrian group Wietersdorfer Alpacem, and Buzzi Unicem Srl for the sale of Fanna Cementi Srl, a company into which the operations of the namesake plant located in the province of Pordenone were transferred. The transaction included, in addition to the sale of the plant in Fanna, Buzzi's subscription to a capital increase in order to acquire a 25% stake in Alpacem Zement Austria GmbH;

- 10 March 2025: Buzzi SpA, through TC Mena Holdings Ltd ("TC Mena"), a 90% owned subsidiary incorporated under the laws of Abu Dhabi Global Market, acquired 37.6% of the share capital in Gulf Cement Company P.S.C. ("GCC"), a public joint stock company listed on the Abu Dhabi Securities Exchange ("ADX"), incorporated in the Emirate of Ras Al Khaimah, part of the United Arab Emirates. At the same time, TC Mena extended a public takeover offer to the remaining shareholders of GCC, with a price per share of AED 0.56.

As far as the trading outlook is concerned, reference is made to the appropriate chapter in the review of operations.

Casale Monferrato, 28 March 2025

On behalf of the Board of Directors

Chairman
Veronica Buzzi

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OF EQUITY INVESTMENTS

Name	Registered office		Share capital	Ownership interest held by	% of ownership	% of vote
Companies consolidated on a line-by-line basis						
Buzzi SpA	Casale Monferrato (AL)	EUR	123,636,659			
Buzzi Unicem Srl	Casale Monferrato (AL)	EUR	120,000,000	Buzzi SpA	100.00	
Unical SpA	Casale Monferrato (AL)	EUR	130,235,000	Buzzi SpA	100.00	
Fanna Cementi Srl	Fanna (PN)	EUR	10,000	Buzzi Unicem Srl	100.00	
Buzzi Gestione Immobili	Casale Monferrato (AL)	EUR	3,000,000	Buzzi SpA	100.00	
Alamo Cement Company	San Antonio US	USD	200,000	Buzzi SpA	100.00	
RC Lonestar Inc.	Wilmington US	USD	10	Buzzi SpA Dyckerhoff GmbH	51,50 48,50	
Buzzi Participações LTDA	Recife BR	BRL	1,000	Buzzi SpA	100,00	
Nacional Cimentos Participações SA	Recife BR	BRL	852,549,180	Buzzi SpA Buzzi Participações LTDA	50,65 49,35	50,00 50,00
Buzzi Unicem Algérie Sàrl i. L.	Ouled Fayet - Alger DZ	DZD	3,000,000	Buzzi SpA	70.00	
Dyckerhoff GmbH	Wiesbaden DE	EUR	105,639,816	Buzzi SpA	100.00	
Dyckerhoff Beton GmbH & Co. KG	Wiesbaden DE	EUR	18,000,000	Dyckerhoff GmbH	100,00	
Dyckerhoff Basal B.V.	Nieuwegein NL	EUR	63,000	Dyckerhoff GmbH	100.00	
GfBB prüftechnik GmbH & Co. KG	Flörsheim DE	EUR	50,000	Dyckerhoff GmbH	100.00	
Cimalux SA	Esch-sur-Alzette LU	EUR	29,900,000	Dyckerhoff GmbH	91.81	
Dyckerhoff Polska Sp zoo	Nowiny PL	PLN	70,000,000	Dyckerhoff GmbH	100.00	
Cement Hranice as	Hranice CZ	CZK	510,219,300	Dyckerhoff GmbH	100.00	
ZAPA beton as	Praha CZ	CZK	300,200,000	Dyckerhoff GmbH	100.00	
OOO SLK Cement	Suchoi Log RU	RUB	30,625,900	Dyckerhoff GmbH	100.00	
Dyckerhoff Gravières et Sablières Seltz SAS	Seltz FR	EUR	180,000	Dyckerhoff Beton GmbH & Co. KG	100.00	
Dyckerhoff Kieswerk Trebur GmbH & Co. KG	Trebur-Geinsheim DE	EUR	2,093,513	Dyckerhoff Beton GmbH & Co. KG	100.00	
Dyckerhoff Kieswerk Leubingen GmbH	Erfurt DE	EUR	101,000	Dyckerhoff Beton GmbH & Co. KG	100.00	
Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	Erfurt DE	EUR	100,000	Dyckerhoff Beton GmbH & Co. KG	95.00	
Dyckerhoff Beton Rheinland-Pfalz GmbH & Co. KG	Neuwied DE	EUR	795,356	Dyckerhoff Beton GmbH & Co. KG	70.97	
TBG Lieferbeton GmbH & Co. KG Odenwald	Reichelsheim DE	EUR	306,900	Dyckerhoff Beton GmbH & Co. KG	66.67	
ZAPA beton SK sro	Bratislava SK	EUR	11,859,396	ZAPA beton as Cement Hranice as	99,97 0,03	
OOO CemTrans	Suchoi Log RU	RUB	185,000,000	OOO SLK Cement	100.00	
OOO "DYLOG"	Suchoi Log RU	RUB	410,000,000	OOO SLK Cement	100.00	
Dyckerhoff Transportbeton Schmalkalden GmbH & Co. KG	Erfurt DE	EUR	512,000	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	67.55	
MegaMix Basal BV	Nieuwegein NL	EUR	27,228	Dyckerhoff Basal BV	100.00	
Betonmortel Centrale Groningen (B.C.G.) BV	Groningen NL	EUR	42,000	Dyckerhoff Basal BV	66.03	
ZAPA beton HUNGÁRIA kft	Zsujta HU	HUF	6,000,000	ZAPA beton SK sro	100.00	

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OF EQUITY INVESTMENTS

(continued)

Name	Registered office		Share capital	Ownership interest held by	% of ownership
Companies consolidated on a line-by-line basis (continued)					
Alamo Concrete Products Company	San Antonio US	USD	1	Alamo Cement Company	100.00
Alamo Transit Company	San Antonio US	USD	1	Alamo Cement Company	100.00
Buzzi Unicem USA Inc.	Wilmington US	USD	10	RC Lonestar Inc.	100.00
Midwest Material Industries Inc.	Wilmington US	USD	1	RC Lonestar Inc.	100.00
Lone Star Industries Inc.	Wilmington US	USD	10	RC Lonestar Inc.	100.00
River Cement Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00
River Cement Sales Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00
Signal Mountain Cement Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00
Heartland Cement Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00
Heartland Cement Sales Company	Wilmington US	USD	10	RC Lonestar Inc.	100.00
Hercules Cement Company LLC	Wilmington US	USD	n/a	RC Lonestar Inc.	100.00
Buzzi Unicem Ready Mix, LLC	Nashville US	USD	n/a	Midwest Material Industries Inc.	100.00
RED-E-MIX, LLC	Springfield US	USD	n/a	Midwest Material Industries Inc.	100.00
RED-E-MIX Transportation, LLC	Springfield US	USD	n/a	Midwest Material Industries Inc.	100.00
Utah Portland Quarries Inc.	Salt Lake City US	USD	378,900	Lone Star Industries Inc.	100.00
Rosebud Real Properties Inc.	Wilmington US	USD	100	Lone Star Industries Inc.	100.00
CCS Cimento de Sergipe SA	Aracaju BR	BRL	3336245	Nacional Cimentos Participações SA	100.00
Mineração Delta do Paraná SA	Recife BR	BRL	5769139	Nacional Cimentos Participações SA	100.00
Agroindustrial Árvore Alta SA	Recife BR	BRL	728000	Nacional Cimentos Participações SA	100.00
Agroindustrial Delta de Minas SA	Recife BR	BRL	14168557	Nacional Cimentos Participações SA	100.00
Companhia Nacional de Cimento - CNC	Recife BR	BRL	1089939078	Nacional Cimentos Participações SA	100.00
Nacional Cimentos Paraíba SA	Recife BR	BRL	248961131	Nacional Cimentos Participações SA	100.00
CCA Holding SA	Belo Horizonte BR	BRL	909525105	Companhia Nacional de Cimento - CNC	100.00
CCP Holding SA	Recife BR	BRL	288216389	Nacional Cimentos Paraíba SA	85.00
Companhia de Cimento Campeão Alvorada – CCA	Belo Horizonte BR	BRL	868331350	CCA Holding SA	100.00
Companhia de Cimento da Paraíba - CCP	Recife BR	BRL	315,676,175	CCP Holding SA	100.00
Mineração Nacional SA	Recife BR	BRL	16,369,893	CCP Holding SA	100.00

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OF EQUITY INVESTMENTS

(continued)

Name	Registered office		Share capital	Ownership interest held by	% of ownership	% of vote
Investments in joint ventures valued by the equity method						
Fresit BV	Amsterdam NL	EUR	6,795,000	Buzzi SpA	50.00	
Presa International BV	Amsterdam NL	EUR	7,900,000	Buzzi SpA	50.00	
Cementi Moccia SpA	Napoli	EUR	7,398,300	Buzzi Unicem Srl	50.00	
E.L.M.A. Srl	Sinalunga (SI)	EUR	15,000	Unical SpA	50.00	
Lichtner-Dyckerhoff Beton GmbH & Co. KG	Berlin DE	EUR	200,000	Dyckerhoff Beton GmbH & Co. KG	50.00	
ZAPA UNISTAV sro	Brno CZ	CZK	20,000,000	ZAPA beton as	50.00	
EKO ZAPA beton sro	Praha CZ	CZK	1,008,000	ZAPA beton as	50.00	
Corporación Moctezuma, SAB de CV	Mexico MX	MXN	171,376,652	Fresit BV Presa International BV	51,51 15,16	
Cementos Moctezuma, SA de CV	Mexico MX	MXN	2,421,712,753	Corporación Moctezuma, SAB de CV	100.00	
Nacional Empreendimentos SA	Recife BR	BRL	77,821,677	Nacional Cimentos Participações SA	74.50	49.00
Cantagalo Empreendimentos SA	Recife BR	BRL	248,267	Nacional Empreendimentos SA	100.00	
Delta de Arcos SA	Recife BR	BRL	2,136,668	Nacional Empreendimentos SA	100.00	
Delta de Matozinhos SA	Recife BR	BRL	1,314,836	Nacional Empreendimentos SA	100.00	
Mineração Bacupari SA	Recife BR	BRL	38,685,178	Nacional Empreendimentos SA	100.00	
Mineração Delta de Sergipe SA	Aracaju BR	BRL	1,147,939	Nacional Empreendimentos SA	100.00	
Delta da Paraíba SA	Recife BR	BRL	19,352,808	Nacional Empreendimentos SA	85.00	
Ravenswaarden BV	Zutphen NL	EUR	18,000	Dyckerhoff Basal BV	50.00	
Eljo Holding BV	Groningen NL	EUR	45,378	Dyckerhoff Basal BV	50.00	
Megamix-Randstad BV	Gouda NL	EUR	90,756	Dyckerhoff Basal BV	50.00	

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OF EQUITY INVESTMENTS

(continued)

Name	Registered office		Share capital	Ownership interest held by	% of ownership
Investments in associates valued by the equity method					
Hinfra Srl	Casale Monferrato (AL)	EUR	10,000	Buzzi SpA	60.00
Société des Ciments de Sour El Ghozlane EPE SpA	Sour El Ghozlane DZ	DZD	1,900,000,000	Buzzi SpA	35.00
Société des Ciments de Hadjar Soud EPE SpA	Azzaba DZ	DZD	1,550,000,000	Buzzi SpA	35.00
Laterlite SpA	Solignano (PR)	EUR	22,500,000	Buzzi SpA	33.33
Alpacem Cementi Italia SpA	San Vito al Tagliamento (PN)	EUR	2,000,000	Buzzi SpA	25.00
Calcestruzzi Faure Srl	Salbertrand (TO)	EUR	53,560	Unical SpA	24.00
Edilcave Srl	Villar Focchiardo (TO)	EUR	72,800	Unical SpA	20.00
Alpacem Cement dd	Anhovo SL	EUR	36,818,921	Buzzi SpA	25.00
Warsteiner Kalksteinmehl GmbH & Co. KG i. L.	Warstein DE	EUR	51,129	Dyckerhoff GmbH	50.00
Warsteiner Kalksteinmehl Verwaltungsgesellschaft mbH i. L.	Warstein DE	EUR	25,600	Dyckerhoff GmbH	50.00
CI4C GmbH & Co. KG	Heidenheim an der Brenz DE	EUR	40,000	Dyckerhoff GmbH	25.00
Projektgesellschaft Warstein-Kallenhardt Kalkstein mbH	Warstein DE	EUR	25,200	Dyckerhoff GmbH	25.00
Köster/Dyckerhoff Vermögensverwaltungs GmbH	Warstein DE	EUR	25,000	Dyckerhoff GmbH	24.90
Köster/Dyckerhoff Grundstücksverwaltungs GmbH & Co. KG	Warstein DE	EUR	10,000	Dyckerhoff GmbH	24.90
Nordenhamer Transportbeton GmbH & Co. KG	Nordenham DE	EUR	322,114	Dyckerhoff Beton GmbH & Co. KG	51.59
BLD Betonlogistik Deutschland GmbH	Rommerskirchen DE	EUR	25,200	Dyckerhoff Beton GmbH & Co. KG	50.00
Lichtner-Dyckerhoff Beton Verwaltungs GmbH	Berlin DE	EUR	25,000	Dyckerhoff Beton GmbH & Co. KG	50.00
TRAMIRA Transportbetonwerk Minden-Ravensberg GmbH & Co. KG	Minden-Dankersen DE	EUR	1,000,000	Dyckerhoff Beton GmbH & Co. KG	50.00
Transass SA	Schifflange LU	EUR	50,000	Cimalux SA	41.00
SA des Bétons Frais	Schifflange LU	EUR	2,500,000	Cimalux SA	41.00
Bétons Feidt SA	Luxembourg LU	EUR	2,500,000	Cimalux SA	30.00
Houston Cement Company LP	Houston US	USD	n/a	Alamo Cement Company	20.00
BLRP Betonlogistik Rheinland-Pfalz GmbH	Rommerskirchen DE	EUR	25,000	Dyckerhoff Beton Rheinland-Pfalz GmbH & Co. KG	50.00
BLN Beton Logistiek Nederland BV	Heteren NL	EUR	26,000	Dyckerhoff Basal BV	50.00
Van Zanten Holding BV	Leek NL	EUR	18,151	Dyckerhoff Basal BV	25.00
Louisville Cement Assets Transition Company	West Palm Beach US	USD	n/a	Lone Star Industries Inc.	25.00
Cooperatie Megamix BA	Almere NL	EUR	80,000	MegaMix Basal BV	37.50

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OF EQUITY INVESTMENTS

(continued)

Name	Registered office		Share capital	Ownership interest held by	% of ownership
Other investments in subsidiaries at fair value					
GfBB prüftechnik Verwaltungs GmbH	Flörsheim DE	EUR	25,600	Dyckerhoff GmbH	100.00
Dyckerhoff Beton Verwaltungs GmbH	Wiesbaden DE	EUR	46,100	Dyckerhoff GmbH	100.00
Lieferbeton Odenwald Verwaltungs GmbH	Flörsheim DE	EUR	25,000	Dyckerhoff GmbH	100.00
Grey 2024 LLC	Kyiv UA	UAH	40,000	Dyckerhoff GmbH	100.00
Dyckerhoff Kieswerk Trebur Verwaltungs GmbH	Trebur-Geinsheim DE	EUR	25,000	Dyckerhoff Beton GmbH & Co. KG	100.00
SIBO-Gruppe Verwaltungsgesellschaft mbH	Lengerich DE	EUR	26,000	Dyckerhoff Beton GmbH & Co. KG	100.00
MKB Mörteldienst Köln-Bonn Verwaltungsgesellschaft mbH	Neuss DE	EUR	25,000	Dyckerhoff Beton GmbH & Co. KG	100.00
Dyckerhoff Beton Rheinland-Pfalz Verwaltungs GmbH	Neuwied DE	EUR	26,000	Dyckerhoff Beton GmbH & Co. KG	70.97
Nordenhamer Transportbeton GmbH	Nordenham DE	EUR	25,565	Dyckerhoff Beton GmbH & Co. KG	56.60
Dyckerhoff Transportbeton Thüringen Verwaltungs GmbH	Erfurt DE	EUR	25,565	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	100.00
Dyckerhoff Transportbeton Schmalkalden Verwaltungs GmbH	Erfurt DE	EUR	25,600	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	67.58
Compañia Cubana de Cemento Portland, SA	Havana CU	CUP	100	Lone Star Industries Inc.	100.00
Transports Mariel, SA	Havana CU	CUP	100	Lone Star Industries Inc.	100.00
Proyectos Industries de Jaruco, SA	Havana CU	CUP	186,700	Compañia Cubana de Cemento Portland, SA	100.00

For the German partnerships in the legal form of a GmbH & Co. KG consolidated on a line-by-line basis, the exemption according to Article 264b German Commercial Code is applicable.

Information pursuant to article 149-*duodecies* of the CONSOB Regulation for listed companies

The following table, prepared in accordance with article 149-duodecies of the CONSOB Regulation no. 11971/99, reports the amount of the fees charged in 2024 for auditing and services other than auditing provided by the independent auditors and by entities that are part of its network.

(thousands of euro)	**Service provider**	**Service recipient**	**Fees charged in 2024**
Audit	PwC SpA	Parent – Buzzi SpA	127
	PwC SpA	Subsidiaries	178
	Network PwC	Subsidiaries	1,325
Attestation	PwC SpA	Parent – Buzzi SpA (1)	120
Other services	Network PwC	Parent – Buzzi SpA (2)	24
	Network PwC	Subsidiaries (3)	5
Total			**1,779**

1) Attestation of compliance on Consolidated sustainability statement
2) Agreed upon procedures on the annual financial information of the Algerian associates Société des Ciments de Sour El Ghozlane and Société des Ciments de Hadjar Soud;
3) Agreed-upon audit procedures on the compliance with financial covenants and the calculation of the option in Brazil

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED

- The undersigned Pietro Buzzi, as Chief Executive Officer, and Elisa Bressan, as Manager responsible for preparing Buzzis financial reports, hereby certify, pursuant to the provisions of article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998: that the administrative and accounting procedures for the preparation of the consolidated financial statements during the year 2024:
-
    - are adequate with respect to the company structure, and
    - have been effectively applied.

- The undersigned also certify that:

    - a) the consolidated financial statementshave been prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Counsel dated 19 July 2002;

    - correspond to the results documented in the books and the accounting records;

    - provide a true and correct representation of the financial conditions, results of operations and cash flows of the issuer and of the entities included in the scope of consolidation;

  b) the review of operations includes a reliable analysis of operating performance and results, as well as of the situation of the issuer and of the entities included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Casale Monferrato, 28 March 2025

Chief Executive Officer	Manager responsible for preparing financial reports
Pietro Buzzi	**Elisa Bressan**

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the Shareholders of
Buzzi SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the Buzzi group (the "Buzzi Group" or the "Group"), which comprise the consolidated balance sheet as of 31 December 2024, the consolidated income statement, the consolidate statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of Buzzi SpA pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Evaluation of the goodwill recoverability *Note 2 of the consolidated financial statements "Summary of material accounting policies" paragraph 2.8 "Intangible assets", paragraph 2.11 "Impairment of non-financial assets" and note 19 of the consolidated financial statements "Goodwill and other intangible assets"*	
As of 31 December 2024 goodwill amounts to Euro 873 million and refers to the following cash generating units or group of cash generating units ("*Cash Generating Unit*" or "CGU"): for Euro 77 million to the CGU named Italy, for Euro 42 million to the CGU named United States of America, for Euro 130 million to the CGU named Germany, for Euro 69 million to the CGU named Luxembourg, for Euro 88 million to the CGU named Poland, for Euro 106 million to the CGU named Czech Republic/Slovakia and for Euro 361 million to the CGU named Brazil. In accordance with the accounting standard IAS 36 "*Impairment of assets*" and with the impairment procedure approved by the Board of Directors autonomously and in advance with respect to the date of approval of the financial statements (the "Procedure"), management verifies the goodwill recoverability for each identified CGU by comparing the related book value with the estimated recoverable amounts (so-called *impairment test*), annually or when there are indicators that suggest a potential impairment. The recoverable amount of an asset is represented by the higher of its *fair value*, less costs of disposal, and its related value in use, determined by discounting the future financial flows estimated for that asset. In determining the value in use, the expected future financial flows are discounted using a discount rate that reflects the current cost of money market, in relation to the	We have obtained the valuation models and documentation used by management to identify any impairment loss in accordance with the Procedure and, also through the support of experts belonging to the PwC network, we have carried out the following main audit procedures: • understanding and evaluating of the Procedure and verification of its consistency with the accounting standard IAS 36 "*Impairment of assets*", as well as its compliant application; • adequacy assessment of the CGU goodwill allocation and consistency of the same with the Buzzi Group organizational structure, with internal decision-making mechanisms and with management reporting; • analysis of the results of the audits performed by the component auditors; • verification of the models mathematical accuracy; • consistency verification of the cash flows used for the purposes of the impairment test with the economic - financial projections approved by the Board of Directors on 28 March 2025; • evaluation of the reasonableness of the main assumptions underlying the determination of the data included in the models, with particular reference to prospective cash flows also in consideration of historical data and of

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
investment period and the specific risks of the asset. Specifically, management carried out the annual impairment test as of 31 December 2024 on all the identified CGU, determining the recoverable amount according to the configuration of the value in use obtained by discounting the CGU forecast data, relating to the five-year period subsequent to the balance sheet date deriving from the 2025 - 2029 economic and financial projections approved by the Board of Directors on 28 March 2025, to which a terminal value has been added. The key assumptions used to determine the forecast data of the CGU are related to the estimate of turnover, EBITDA, operating cash flows, long-term growth rate and the weighted average cost of capital (discount rate), taking into account past economic - financial performances and future expectations. Based on the impairment test carried out, for all the CGU identified the recoverable amounts were higher than the book values. The assessment of the goodwill recoverability was considered a key audit matter of the audit due to the complex estimates underlying the impairment test, such as those relating to prospective cash flows, the variables included in the discount rates and the growth rate to be used for estimating the terminal value after the explicit forecast period.	climate change risks, to growth rates also in light of those forecasted for the sector by external sources of information and discounting rates used to determine value in use; • verification of sensitivity analyses on relevant assumptions, with particular reference to future financial flows and their discount rates. Finally, we have also verified the adequacy and completeness of the information provided in the notes to the consolidated financial statements with respect to the information and data obtained during the audit and with respect to the international accounting standards requirements, with particular reference to the description of the methods used, the main assumptions used and the sensitivity analyses performed.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Buzzi SpA or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No. 537/2014

On 12 May 2022, the Shareholders of Buzzi SpA in general meeting engaged us to perform the statutory audit of the Company's separate and consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Buzzi SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the

"Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2024, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) No. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2024 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10 and with article 123-bis, paragraph 4, of Legislative Decree No. 58/98

The directors of Buzzi SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the Buzzi Group as of 31 December 2024, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98, with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are consistent with the consolidated financial statements of the Buzzi Group as of 31 December 2024.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 2020/852 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree No. 39/10.

Turin, 14 April 2025

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

As disclosed by the Directors on page "Contents", the accompanying consolidated financial statements of the Buzzi Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Statutory Financial Statements

INCOME STATEMENT

(euro)	Note	2024	of which with related parties	2023	of which with related parties
Net sales	5	**9,839,816**	**9,839,784**	**8,316,112**	**8,316,112**
Other operating income	6	6,249,524	5,163,187	7,477,563	4,799,065
Raw materials, supplies and consumables	7	(70,163)	386,318	(528,690)	8,854,981
Services	8	(11,775,691)	(601,106)	(11,200,079)	166,036
Staff costs	9	(18,019,395)	(179,502)	(16,660,955)	(178,794)
Other operating expenses	10	(1,376,011)	-	(7,696,645)	(62,051)
EBITDA		**(15,151,920)**		**(20,292,694)**	
Depreciation and amortization	11	(1,556,187)	-	(1,535,542)	-
Operating profit (EBIT)		**(16,708,107)**		**(21,828,236)**	
Gains on disposal of investments	12	-	-	441,360	-
Finance revenues	13	381,027,490	332,796,146	310,737,571	265,670,228
Finance costs	13	(126,854,111)	(33,224,473)	(89,336,675)	(29,207,847)
Profit before tax		**237,465,272**		**200,014,020**	
Income tax expense	14	56,107,512	-	38,406,915	-
Profit for the year		**293,572,784**		**238,420,935**	

STATEMENT OF COMPREHENSIVE INCOME

(euro)		2024	2023
Profit for the year		**293,572,784**	**238,420,935**
Items that will not be reclassified to profit or loss			
Actuarial gains (losses) on post-employment benefits	33	9,316	(82,456)
Income tax relating to items that will not be reclassified	33	(2,599)	19,789
Total items that will not be reclassified to profit or loss		**6,717**	**(62,667)**
Total items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year, net of tax		**6,717**	**(62,667)**
Total comprehensive income for the year		**293,579,501**	**238,358,268**

BALANCE SHEET

(euro)	Note	31.12.2024	of which with related parties	31.12.2023	of which with related parties
Assets					
Non-current assets					
Other intangible assets	15	180,417	-	278,490	-
Right-of-use assets	16	879,318	-	559,728	-
Property, plant and equipment	17	6,643,367	-	6,895,099	-
Investment property	18	2,020,046	-	2,020,046	-
Investments in associates and joint ventures	19	2,828,804,336	-	2,825,778,350	-
Investments in other companies	20	6,637	-	6,635	-
Deferred income tax assets	35	111,232,016	-	59,004,021	-
Other non-current assets	21	526,150,663	525,393,026	220,785,699	220,004,525
		3,475,916,800		**3,115,328,068**	
Current assets					
Trade receivables	22	9,943,643	9,437,584	8,978,222	7,794,986
Other receivables	23	53,274,326	44,343,385	194,995,674	43,050,989
Cash and cash equivalents	24	274,243,671	-	414,793,990	-
		337,461,640		**618,767,886**	
Assets held for sale	25	911,151	-	911,151	-
Total Assets		**3,814,289,591**		**3,735,007,105**	

(euro)	Note	31.12.2024	of which with related parties	31.12.2023	of which with related parties
Equity					
Share capital	26	123,636,659	-	123,636,659	-
Share premium	27	458,696,023	-	458,696,023	-
Other reserves	28	431,304,168	-	432,440,078	-
Retained earnings	29	1,388,466,853	-	1,259,858,936	-
Profit for the year		293,572,784	-	238,420,935	-
Treasury shares	26	(278,106,945)	-	(130,917,220)	-
Total Equity	**30**	**2,417,569,542**		**2,382,135,411**	**-**
Liabilities					
Non-current liabilities					
Long-term debt	31	316,295,398	-	877,091,992	538,461,539
Lease liabilities	16	575,440	-	354,189	-
Derivative financial instruments	32	-	-	4,787,254	-
Employee benefits	33	2,023,118	-	1,854,787	-
Provisions for liabilities and charges	34	2,463,593	-	2,442,396	-
Deferred income tax liabilities	35	9,069,686	-	-	-
Other non-current liabilities	36	-	-	775,222	-
		330,427,235		**887,305,840**	
Current liabilities					
Current portion of long-term debt	31	752,600,227	572,721,148	252,410,248	-
Short-term debt	31	281,122,365	275,799,759	181,674,881	176,772,357
Current portion of lease liabilities	16	330,422	-	218,812	-
Trade payables	37	5,342,749	89,958	5,762,311	286,405
Provisions for liabilities and charges	34	2,716,404	-	1,910,878	-
Other payables	38	24,180,647	156	23,588,724	-
		1,066,292,814		**465,565,854**	
Total Liabilities		**1,396,720,049**		**1,352,871,694**	
Total Equity and Liabilities		**3,814,289,591**		**3,735,007,105**	

CASH FLOW STATEMENT

(euro)	Note	2024	2023
Cash flows from operating activities			
Cash generated from operations	40	(2,066,836)	92,233,093
Interest paid		(24,193,412)	(31,874,121)
Interest expense paid to group companies		(32,463,867)	(27,487,596)
Income tax paid		(7,528,067)	(7,379,196)
Net cash generated from (used in) operating activities		**(66,252,182)**	**25,492,180**
Cash flows from investing activities			
Purchase of intangible assets	15	(30,829)	(40,992)
Purchase of property, plant and equipment	17	(965,786)	(11,601,430)
Purchase of other equity investments	20	(6,350)	(5,000)
Proceeds from sale of property, plant and equipment		11,455	230,975
Proceeds from sale of equity investments		-	1,600,000
Changes in financial receivables	21-23	139,797,293	(139,604,929)
Changes in financial receivables from group companies	21-23	(297,237,230)	3,766,729
Dividends received from equity investments	13	319,954,035	261,197,881
Interest received		29,412,768	20,905,642
Interest income received by group companies		455,639	1,512,672
Net cash generated from (used in) investing activities		**191,390,995**	**137,961,548**
Cash flows from financing activities			
Proceeds from long-term debt	31	149,526,120	-
Repayment of long-term debt	31	(252,500,000)	(594,894,667)
Net change in short-term debt	31	594,473	-
Repayment of lease liabilities	16	(376,583)	(259,960)
Change in financial payables	31	-	(269,546)
Change in financial payables to group companies	31	98,266,795	79,488,217
Changes in ownership interests without loss of control	19	(3,048,757)	(503,021)
Purchase of treasury shares	26	(147,189,726)	-
Dividends paid to owners of the company	41	(110,961,454)	(83,309,327)
Net cash generated from (used in) financing activities		**(265,689,132)**	**(599,748,304)**
Effects of the contribution on liquidity		**-**	**(6,918)**
Increase (decrease) in cash and cash equivalents		**(140,550,319)**	**(436,301,494)**
Cash and cash equivalents at beginning of the year	24	414,793,990	851,095,484
Cash and cash equivalents at end of the year	24	**274,243,671**	**414,793,990**

CHANGES IN SHAREHOLDERS' EQUITY

(thousands of euro)	Share capital	Share premium	Other reserves	Retained earnings	Treasury shares	Profit (loss) for the year	Total
Balance as at 1 January 2023	**123,637**	**458,696**	**421,857**	**864,542**	**(130,918)**	**489,272**	**2,227,086**
Profit for the year	-	-	-	-	-	238,421	238,421
Other comprehensive income for the year, net of tax	-	-	-	(63)	-	-	(63)
Total comprehensive income for the year	-	-	-	(63)	-	238,421	238,358
Dividends declared	-	-	-	-	-	(83,309)	(83,309)
Allocation of profit for the year	-	-	10,584	395,379	-	(405,963)	-
Balance as at 31 December 2023	**123,637**	**458,696**	**432,441**	**1,259,858**	**(130,918)**	**238,421**	**2,382,135**
Profit for the year	-	-	-	-	-	293,573	293,573
Other comprehensive income for the year, net of tax	-	-	-	6	-	-	6
Total comprehensive income for the year	-	-	-	6	-	293,573	293,579
Dividends declared	-	-	-	-	-	(110,961)	(110,961)
Allocation of profit for the year	-	-	(1,137)	128,597	-	(127,460)	-
Purchase of treasury shares	-	-	-	-	(147,189)	-	(147,189)
Other changes	-	-	-	6	-	-	6
Balance as at 31 December 2024	**123,637**	**458,696**	**431,304**	**1,388,467**	**(278,107)**	**293,573**	**2,417,570**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Buzzi SpA is a stock corporation organized under the laws of Italy. The registered and administrative office is located in Casale Monferrato (AL), Italy, Via Luigi Buzzi 6. The company is listed on the Euronext Milan market managed by Borsa Italiana.

Buzzi S.p.A. isthe parent company that holds, directly or indirectly, through other companies, the shares in the capital in the countries in which the Buzzi group operates.

Buzzi SpA is controlled by Fimedi SpA, which directly and indirectly, through its subsidiary Presa SpA, owns 52,95% of voting shares.

The Board of Directors approved the publication of these draft statutory financial statements on 28 March 2025.

Buzzi SpA, as parent company, has also prepared the consolidated financial statements of the Buzzi Group as at 31 December 20242023.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these statutory financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The statutory financial statements have been prepared in accordance with International Accounting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission, and with the provisions implementing article 9 of Legislative Decree 38/2005. The definition of IFRS also encompasses all valid International Accounting Standards (IAS), as well as all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), including those formerly issued by the Standing Interpretations Committee (SIC).

The statutory financial statements have been prepared under the historical cost convention, which has been amended, as requested, for the evaluation of financial assets/liabilities at fair value, including derivative instruments, as well as on the going concern basis.

The analysis of financial (note 3) and sustainability topics risks (General Information, SBM-3, Sustainability consolidated Report), did not reveal any effects on the going concern.

The statutory financial statements are presented in euro, which is the currency of the economy in which the company operates. The income statement, the balance sheet and the cash flow statement are presented in euro, while the changes in shareholders' equity and the amounts reported in the notes to the statutory financial statements are presented in thousands of euro. The format of the financial statements selected by Buzzi SpA is the following: for the income statement application of the nature of expense method and presentation of two separate schemes, i.e. a traditional income statement and a statement of comprehensive income; for the balance sheet implementation of the current/non-current classification, which is generally applied by industrial and commercial firms; for the statement of cash flows adoption of the indirect method. Where necessary, comparability of content entails a restatement of the prior year amounts. The items presented in these consolidated financial statements have been somewhat adjusted and integrated compared with those previously published, to give a better representation of the financial position and economic performance of the company.

The company shows in the income statement, balance sheet and cash flow statement the amount of balances with related parties, separately by line item (pursuant to Consob resolution no. 15519 of 27 July 2006). Transactions with related parties are also disclosed in note 46 of these statutory financial statements.
The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the statutory financial statements, are disclosed in note 4.

Standards, amendments and interpretations
The accounting standards applied are set out in the summary of material accounting policies of the consolidated financial statements, to which reference is made (note 2), integrated by the specific standards referred to dividends, useful life of property, plant and equipment and recognition and measurement of investments in subsidiaries, associates, joint ventures and other companies.

2.2 Dividends received
Dividends received by the investees are recognised in the income statement at the time of the approval by the shareholders meeting of the companies.

2.3 Property, plant and equipment
They are booked at purchase or production cost, including overheads, less accumulated depreciation and any accumulated impairment losses. Production cost includes the reasonably attributable portion of the direct and indirect costs incurred to bring the asset into service. Subsequent costs are capitalized or recognized as a separate asset, as appropriate, only when future economic benefits will flow to the group. The carrying amount of the replaced part is derecognized. Repairs and maintenance are charged to the income statement during the period in which they are incurred; the most relevant strategic spare parts are capitalized when acquired and their depreciation starts when being brought into service.

Depreciation on other property, plant and equipment is calculated under the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives, as follows:

Buildings	11 – 34 years
Plant and machinery	14 – 17 years
Transportation equipment	5 – 6 years
Furniture, fittings and others	6 – 9 years

An asset's carrying amount is written down to its recoverable amount if the book value is greater than its estimated recoverable amount

2.4 Investments

Subsidiaries
These are all entities (including special purpose entities) over which the group has control, meaning is exposed to, or has rights to, variable returns from its involvement with the entity and as the ability to affect those returns through its power over the same entity.

Joint arrangements
Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Buzzi has assessed the nature of its joint arrangements and determined them to be joint ventures.

Associates
Associates are entities over which the group has significant influence but not control or joint control. Generally, a holding of between 20% and 50% of the voting rights indicates significant influence.

Investments in other companies
Other corporations or partnerships, normally not listed companies below 20% ownership, are carried at cost.

Investments in subsidiaries, associates, joint ventures and other companies are recognised at cost adjusted for impairment losses.
If there are signs of potential impairment, the intrinsic economic value is aligned by means of appropriate evaluation tests. If the reasons for the impairments made cease, the original cost is restored in the subsequent years and charged to the profit and loss account.

3. RISK MANAGEMENT

3.1 Financial risk factors

The group’s activities are exposed to a variety of financial risks such as market risk (including currency, price and interest rate), credit risk and liquidity risk. The company uses, infrequently, derivative financial instruments to hedge certain risk exposures. The central treasury and finance department carries out risk management and identifies, evaluates and possibly hedges financial risks in close co-operation with the group’s operating units.
The geopolitical scenario did not determine any negative effects on the company's liquidity or significant changes in financial risk management.
In 2024, in order to stimulate the economy which was showing signs of slowing down in the Eurozone and the United States, both the ECB and the FED started reducing interest rates, with a positive impact on the capital markets.

Market risk

Buzzi operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect the US dollar and Brazilian Real. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investment in foreign operations. The foreign subsidiaries or joint ventures enjoy a natural hedging on market risk, since all major commercial transactions are made in their functional currency and are not suffering from foreign exchange fluctuations. Management has introduced a policy to require the group entities to control their residual exposure to exchange rate risk, by using mainly debt instruments or cash in foreign currency, or even derivative contracts negotiated at the company level, such as, for example, currency forwards transacted according to the existing internal policies. The policy considers a hedge for the anticipated cash flows of a significant amount and that are denominated in highly volatile currencies.

Hereinafter are the results of the sensitivity analysis that was conducted considering a revaluation/devaluation of the euro versus the currencies to which the company has a significant exposure (US dollar and Brazilian Real), with a direct 10% effect on the net exposure in euros. The potential impact on profit before tax is therefore considered, keeping unchanged all other financial statement items that are not affected by the assumed variance.

At 31 December 2024, with reference to the net exposure to the currencies converted in euro, if the euro had strengthened/weakened by 10%, with a direct effect on that exposure, against the major foreign currencies to which the company is exposed, profit before tax for the year would have been €24,027 thousand higher/lower (2023: €20,039 thousand higher/lower).
Net debt exposure to the dollar remains high as there are active intercompany loans from US subsidiaries to the parent company.
Considering the net exposure to the Brazilian Real converted in euro, if the euro had strengthened/weakened by 10%, with a direct effect on that exposure, against the Real, profit before tax for the year would have been €39,400 thousand lower/higher.
Net credit exposure to the Real, began in 2024, is very high because there are active intercompany loans from the parent company to Brazilian subsidiaries.

Changes in market interest rates can affect the cost of the various forms of financing or the return on investments in monetary instruments, causing an impact at the level of net finance costs incurred. The interest rate risk arises mainly from long-term debt. Borrowings issued at variable rates expose the company to cash flow interest rate risk, which is partially offset by cash invested at variable rates. Buzzi’s policy is to maintain about 70% of its long-term borrowings in fixed rate instruments. At the balance sheet date, the share of indebtedness at fixed rate is much lower at 30%, due to the expiration of long term borrowings during the year, not replaced. Borrowings at variable rate at the end of 2024 were denominated in euros and in

US dollars. Management implements the best strategy about interest rates according to market conditions and, sometimes, the group may enter into derivative financial instruments to hedge the fair value interest rate risk.

Below are the results of the sensitivity analysis on the exposure to interest rates that was conducted considering, as in previous years, a 1% rate increase and a 1% decrease on the financial assets and liabilities of Buzzi SpA. We consider the potential impact on profit before tax, keeping unchanged all other financial statements items not affected by the assumed variance.

The company analyses its interest rates exposure on a dynamic basis, taking into consideration refinancing, renewal of existing positions, alternative financing and possible hedging. Based on the simulations performed, the impact on profit before tax of a 1% interest rate rise or fall would be a decrease/increase of €4,411 thousand (2023: decrease/increase of €2,163 thousand). For each simulation, the same interest rate change is used for all currencies. The sensitivity scenarios are run only for assets and liabilities that represent the major interest-bearing positions and for the fair value of interest rate derivatives (if actually outstanding at the balance sheet date).

The sensitivity value for the year 2024 is higher in absolute value and with the same sign than that of the previous year, as there was, compared to the previous year, an increase in accounts payable to group companies mainly for cash pooling receivables, while the decrease in cash was partially offset by the increase in receivables for loans granted to Brazilian subsidiaries.

Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as exposure to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only primary national and international entities with high credit quality are accepted as counterparties. There are specific policies that limit the amount of credit exposure to any financial institution.

Since Buzzi SpA mainly provides services to group companies, the concentration of trade credit risk is insignificant. There are no customers generating revenues equal to or greater than 10% of net sales.

An assessment of possible losses is carried out at each closing date. The maximum exposure to credit risk at the reporting date is the carrying amount of trade receivables presented in note 22.

Set out below is the information about the credit risk exposure:

	2024			2023		
(thousands of euro)	Trade receivables (gross)	Loss allowance	% loss coverage	Trade receivables (gross)	Loss allowance	% loss coverage
Not overdue	8,914	-	-	7,818	-	-
Days past overdue						
30 or less	552	-	-	452	-	-
Between 30 and 60	7	-	-	6	-	-
Between 61 and 90	5	-	-	1	-	-
Between 91 and 180	-	-	-	18	-	-
Over 180	1,075	(609)	56.65	1,224	(541)	44.20
	10,553	**(609)**	**5.77**	**9,519**	**(541)**	**5.68**

The company limits its exposure to credit risk on trade receivables by establishing maximum payment terms.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed and uncommitted credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the central treasury service aims to maintain flexibility in funding by keeping the availability under committed credit lines.

Cash flow forecasting is performed in the operating subsidiaries and aggregated by the central treasury department. Group finance monitors rolling forecasts to ensure there is sufficient cash to meet operational needs while maintaining sufficient headroom on the undrawn committed borrowing facilities.

Estimates and projections, considering the changes that may occur in the profitability trend, show that the company is in a position to operate at the present level of financing. The company prepares the refinancing of borrowings in due times before the upcoming maturities. The company uses different debt instruments and maintains a regular relationship with the usual and prospective financial institutions about the future needs, from which it appears that renewal may take under acceptable terms. The analysis of the maturity dates for the main financial liabilities is included in note 31.

3.2 Capital management

Buzzi's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or modify the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, make purchase of treasury shares or sell assets to improve the net financial position.

3.3 Determination of fair value

Hereunder an analysis of the financial instruments carried in the balance sheet at fair value. The different levels have been defined as follows:
- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than the quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- inputs for the data asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As at 31 December 2024 no liabilities valued at fair value are present.

The following table presents the assets that were measured at fair value at 31 December 2023:

(thousands of euro)	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative financial instruments (non-current)	-	-	(4,787)	(4,787)
Total Liabilities	**-**	**-**	**(4,787)**	**(4,787)**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets is the current bid price. These instruments, when they exist, are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These methods maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required are observable, the instrument is included in level 2. If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Level 3 derivatives as of 31 December 2023 included the put and call option on the remaining 50% share of Nacional Cimentos Participações SA. Following the acquisition of 100% of the company, the option has expired.

The company holds several financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments (trade receivables less provision for impairment, trade payables, other receivables, other payables) the carrying amount is considered to approximate their fair value. The fair value of long-term financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

3.4 Other risks

With regard to other risks, please refer to the specific chapter of the management report.

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The estimates and assumptions used in the statutory financial statements are illustrated in note 4 of the consolidated financial statements, integrated for the part related to investments in controlled companies, associates and jointly controlled entities with what reported in note 19.

5. NET SALES

Revenues from contracts with customers derive from services.

(thousands of euro)	2024	of which related	2023	of which related
Supplies of goods	-	-	-	-
Revenue from services and expense recovery	9,840	9,840	8,316	8,316
	9,840	**9,840**	**8,316**	**8,316**

Revenues derive from services mainly provided to group companies for administrative, financial, IT, legal, and tax assistance.

6. OTHER OPERATING INCOME

Other operating income includes proceeds arising from both the ordinary and the non-recurring course of business, not attributable to the core sale of goods and rendering of services. They are split as follows:

(thousands of euro)	2024	of which related	2023	of which related
Recovery of expenses	5,361	5,156	4,428	4,228
Income former business years and miscellaneous income	2	-	1,951	64
Revenue from leased properties	488	-	56	1
Gains on disposal of property, plant and equipment	8	7	16	13
Other	391	-	1,027	493
	6,250	**5,163**	**7,478**	**4,799**

The caption recovery of expenses mainly refers to the recharging of IT expenses for hardware and software to group companies.

7. RAW MATERIALS, SUPPLIES AND CONSUMABLES

The caption mainly includes the costs related to the management of headquarters buildings.

8. SERVICES

The caption is detailed as follows:

(thousands of euro)	2024	of which related	2023	of which related
Maintenance and contractual services	1,267	-	1,309	-
Insurance	281	-	298	-
Legal and professional consultancy	4,591	587	3,680	704
Operating leases of property and machinery	1,180	-	1,315	-
Travel	534	9	457	-
Other	3,923	5	4,141	(870)
	11,776	**601**	**11,200**	**(166)**

The caption operating leases of property and machinery includes lease payments that fall within the exemptions envisaged by IFRS 16, i.e. low value assets contracts for €110 thousand. The caption also includes lease payments outside the scope of IFRS 16 amounting to €1,070 thousand; these contracts are therefore not capitalized.

9. STAFF COSTS

The expenses for employees are composed as follows:

(thousands of euro)	2024	of which related	2023	of which related
Salaries and wages	11,036	135	10,585	143
Social security contributions	4,138	37	3,891	29
Pension fund charges	818	8	822	6
Other	2,027	-	1,363	-
	18,019	**180**	**16,661**	**178**

The number of employees is the following:

Headcount (end of period)	2024	2023
White collar and executives	163	157
Blue collar and supervisors	3	3
	166	**160**

Headcount (medium)	2024	2023
White collar and executives	159	154
Blue collar and supervisors	3	3
	162	**157**

10. OTHER OPERATING EXPENSES

Other operating expenses, related to both the ordinary and the non-recurring course of business, are composed as follows:

(thousands of euro)	2024	of which related	2023	of which related
Write-down of receivables	68	-	(92)	-
Provisions for liabilities and charges	139	-	1,054	-
Expenses former business years	15	-	4,464	62
Association dues	351	-	326	-
Other	803	-	1,945	-
	1,376	**-**	**7,697**	**62**

11. DEPRECIATION, AMORTIZATION AND IMPAIRMENT CHARGES

The amount refers to the following:

(thousands of euro)	2024	2023
Intangible assets	129	182
Property, plant and equipment	1,073	1,089
Right-of-use assets	354	265
	1,556	**1,536**

12. GAINS ON DISPOSAL OF INVESTMENTS

Gains on disposal of investments have zero balance, in the previous year the amount of €441 thousand mainly referred to the sale of the investment in Premix Srl.

13. FINANCE REVENUES AND FINANCE COSTS

The content is summarized as follows:

(thousands of euro)	2024	2023
Finance revenues		
Interest income on liquid assets	22,992	19,027
Interest income from subsidiaries	9,835	1,505
Interest income on loans to other group companies	3,032	3,913
Changes in the fair value of derivative instruments	4,787	-
Foreign exchange gains	20,222	25,968
Dividend income	319,929	260,252
Other	230	73
	381,027	**310,738**
Finance costs		
Interest expense on bank borrowings	(24,045)	(23,654)
Interest expense on senior notes and bonds	-	(878)
Interest expense to subsidiaries	(33,225)	(29,208)
Changes in the fair value of derivative instruments	-	(15,818)
Interest expense on employee benefits	(52)	(79)
Write-downs of equity investments and other	(29)	(8)
Foreign exchange losses	(69,080)	(19,376)
Other financial expenses	(423)	(316)
	(126,854)	**(89,337)**
Net financial income	**254,173**	**221,401**

The amount of net finance revenues (costs), in 2024 has increased by €32.772 thousand in comparison to 2023, mainly due to higher dividends received, higher interest on loans from credit institutions and subsidiaries and a positive change in fair value derivatives, partially offset by higher exchange rate differences and higher interest rates to subsidiaries compared to last year.

The dividends approved by the subsidiaries are as follows:

(thousands of euro)	2024	2023
Dividends from subsidiaries:		
- Dyckerhoff GmbH	95,000	65,000
- Alamo Cement Company	61,249	65,432
- Rc Lonestar Inc.	73,600	48,562
	229,849	**178,994**
Dividends from associates and joint ventures:		
- Fresit BV	58,402	46,950
- Presa International BV	17,190	13,800
- Nacional Cimentos Participações SA	5,941	15,170
- Laterlite SpA	2,250	1,200
- Alpacem Cement dd (già Salonit Anhovo Gradbeni Materiali d.d.)	5,007	2,504
- Société des Ciments de Sour El Ghozlane EPE SPA	552	1,070
- Société des Ciments de Hadjar Soud EPE SPA	738	564
	90,080	**81,258**
Total dividends	**319,929**	**260,252**

14. INCOME TAXE EXPENSE

Income taxes are composed as follows:

(thousands of euro)	2024	2023
Current tax	(12,947)	(11,786)
Deferred tax	(43,161)	(26,862)
Tax relating to prior years	-	241
	(56,108)	**(38,407)**

The item current tax primarily consists of withholding taxes on dividends and on interest income from loans to group companies for €8,828 thousand, and of positive income taxes for €21,775 thousand (calculated as the difference between positive taxes for the year of €7,529 thousand and the uses of prior years losses for €14,030 thousand, lower taxes from previous year for €223 thousand, uses of tax credits for €270 thousand, and other negative variations for €7 thousand).

Caption deferred tax, amounting positive for €43,161 thousand, includes the deferred tax assets (€63,038 thousand) related to the assessments concerning the future recoverability of prior losses and interest expense in the predictable future (note 35), and is determined as follows:

(thousands of euro)		
Changes in deferred tax assets related to:		**43,248**
- provisions for liabilities and charges	30	
- long-term debt	(5,828)	
- deferred recognition of assets on losses for previous years	49,002	
- Other	44	
Changes in deferred tax liabilities relating to:		**(87)**
- deferred tax liabilities of dividends from associates and joint ventures	(87)	
		43,161

The reconciliation of income taxes computed in the financial statements and the theoretical tax rate, based on the theoretical applicable tax rates by law, is as follows:

(thousands of euro)	**2024**	**2023**
Profit before tax	**237,465**	**200,014**
Italian income tax rate (IRES)	24.00%	24.00%
Theoretical income tax expense	56,992	48,003
Effect of permanent differences	(74,371)	(48,472)
Tax relating to prior years	-	241
Other adjustments from IRES recognition to tax consolidation	-	-
Adjustments/non-recognition of deferred taxes for the year	-	(26,045)
Other adjustments from IRES recognition to tax consolidation	(63,038)	(17,644)
Witholding tax on foreign dividends and interest	8,829	6,532
Other changes	15,480	(1,022)
Income tax expense	**(56,108)**	**(38,407)**

The taxation for 2024 is positive at €56,108 thousand (23.63% of profit before tax), in the previous year it was positive at €38,407 thousand (19.20% of profit before tax).

15. GOODWILL AND OTHER INTANGIBLE ASSETS

	Other intangible assets			
(thousands of euro)	Industrial patents, licenses and similar rights	Assets in progress and advances	Other	Total
At 1 January 2023 post-cotribution				
Cost/deemed cost	8,451	-	500	8,951
Accumulated depreciation	(8,032)	-	(500)	(8,532)
Net book amount	**419**	**-**	**-**	**419**
At 31 December 2023				
Additions	26	15	-	41
Transfers	-	-	-	-
Depreciation and amortization for the year	(182)	-	-	(182)
Net book amount	**263**	**15**	**-**	**278**
Year ended 31 December 2023				
Cost/deemed cost	8,477	15	500	8,992
- Accumulated depreciation	(8,214)	-	(500)	(8,714)
Net book amount	**263**	**15**	**-**	**278**
At 31 December 2024				
Additions	32		-	32
Transfers	6	(4)	-	2
Net disinvestments				
- Original cost	(5)	-	-	(5)
- Accumulated depreciation	2	-	-	2
Depreciation and amortization for the year	(129)	-	-	(129)
Net book amount	**169**	**11**	**-**	**180**
Year ended 31 December 2024				
Cost/deemed cost	8,510	11	500	9,021
Accumulated depreciation	(8,341)	-	(500)	(8,841)
Net book amount	**169**	**11**	**-**	**180**

At 31 December 2024, the column industrial patents, licenses, and similar rights is made up of patents for €64 thousand, trademarks for €2 thousand and application software for €103 thousand; the increase for the year, amounting to €32 thousand, refers to the acquisition of software licenses and patents. In the cash flow statement and in the business review they are reported according to the actual outflows (€32 thousand).
The depreciation of intangible assets in the income statement is included in the item 'Depreciation' (note 11).

16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(thousands of euro)	Land and buildings	Other	Total
At 1 January 2023 post-cotribution			
Cost/deemed cost	126	957	1,083
Accumulated depreciation	(83)	(628)	(711)
Net book amount	**43**	**329**	**372**
Year ended 31 December 2023			
Additions and other	27	439	466
Extinctions and other:			
- Cost/deemed cost	(13)	(394)	(407)
- Accumulated depreciation	10	384	394
Amortization	(34)	(231)	(265)
Net book amount	**33**	**527**	**560**
Year ended 31 December 2023			
Cost/deemed cost	140	1,002	1,142
- Accumulated depreciation	(107)	(475)	(582)
Net book amount	**33**	**527**	**560**
Additions and other	151	587	738
Extinctions and other:			
- Cost/deemed cost	-	(280)	(280)
- Accumulated depreciation	-	215	215
Amortization	(45)	(309)	(354)
Reclassifications	-	-	-
Net book amount	**139**	**740**	**879**
At 31 December 2024			
Cost/deemed cost	291	1,309	1,600
Accumulated depreciation	(152)	(569)	(721)
Net book amount	**139**	**740**	**879**

Lease liabilities recorded in the balance sheet at 31 December 2024 amount to €905 thousand. During the period 2024, the financial effect due to the modification of the terms, mainly for extension and termination options, was a decrease in lease liabilities and right-of-use assets of €159 thousand.

(thousands of euro)	**2024**	**2023**
Within 6 months	177	119
Between 6 and 12 months	153	100
Between 1 and 5 years	575	354
	905	**573**

Set out below is a breakdown of cash outflows for leases:

(thousands of euro)	**2024**	**2023**
Short-term lease, low value and variable components	110	123
Interest amount	29	12
Principal amount	377	260
	516	**395**

17. PROPERTY, PLANT AND EQUIPMENT

(thousands of euro)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Assets in progress and advances	Other	Total
At 1 January 2023 post-cotribution						
Cost/deemed cost	11,718	3,512	946	249	7,061	23,486
Accumulated depreciation	(6,436)	(3,019)	(624)	-	(6,208)	(16,287)
Net book amount	**5,282**	**493**	**322**	**249**	**853**	**7,199**
Year ended 31 December 2023						
Additions	23	4	139	374	304	844
Cost/deemed cost reclassification	-	-	25	(25)	-	-
Net disinvestments						
- Cost/deemed Cost	(8)	(48)	-	(46)	(190)	(292)
- Accumulated depreciation	4	45	-	-	184	233
Depreciation	(600)	(67)	(116)	-	(306)	(1,089)
Net book amount	**4,701**	**427**	**370**	**552**	**845**	**6,895**
Year ended 31 December 2023						
Cost/deemed cost	11,733	3,468	1,110	552	7,175	24,038
- Accumulated depreciation	(7,032)	(3,041)	(740)	-	(6,330)	(17,143)
Net book amount	**4,701**	**427**	**370**	**552**	**845**	**6,895**
At 31 December 2024						
Additions	10	6	10	753	50	829
Cost/deemed cost reclassification	26	70	-	(102)	-	(6)
Net disinvestments						-
- Cost/deemed Cost	-	-	-	-	(72)	(72)
- Accumulated depreciation	-	-	-	-	70	70
Depreciation and amortization	(603)	(68)	(134)	-	(268)	(1,073)
Net book amount	**4,134**	**435**	**246**	**1,203**	**625**	**6,643**
Year ended 31 December 2024						
Cost/deemed cost	11,769	3,544	1,120	1,203	7,153	24,789
- Accumulated depreciation	(7,635)	(3,109)	(874)	-	(6,528)	(18,146)
Net book amount	**4,134**	**435**	**246**	**1,203**	**625**	**6,643**

Caption historical cost reclassifications relate to assets in progress put into operation during the year for €102 thousand and to the reclass to intangible assets for €6thousand.
Additions recognized in 2024 amount to €829 thousand and primarily concern the purchase of hardware and equipment. These are reported in the cash flow statement and in the business review according to the actual outflows (€966 thousand).
Depreciation of property, plant, and equipment is included in the income statement under the caption depreciation (note 11).
At the balance sheet date, there are no property, plant, and equipment covered by mortgages or pledges as collateral on financings.

18. INVESTMENT PROPERTY

It is accounted for using the cost model, and the fair value, based on both internal and external independent appraisals, at 31 December 2024 amounts to €3,663 thousand, and is classifiable as level 2, because based on observable data.
For other items part of the category, the determination of market value, built on internal appraisals, was conducted using comparative estimates based on recent transactions for similar property, where available and comparing them with information coming from real estate agents operating in the same area and with other publicly available databases.
During the period there were no changes.

(thousands of euro)	2024	2023
Cost/deemed cost	3,301	3,301
Accumulated depreciation	(1,194)	(1,194)
Accumulated write-downs	(87)	(87)
Valore netto	**2,020**	**2,020**

Income coming from real estate investments amounts to €138 thousand.
In accordance with Law No. 72/1983, Article 10, the indication of assets still held in the portfolio at 31 December 2024 on which write-ups have been made this year and in previous fiscal years pursuant to specific laws or as a result of merger difference allocations, is reported in the following table:

WRITE-UPS OF ASSETS IN EQUITY AT 31 DECEMBER 2024

In compliance with the obligations under Article 10 of Law No. 72 of 19 March 1983, we specify that write-ups have been made on the assets at 31 December 2024, as follows:

(thousands of euro)	Historical values subject to revaluation	Rivaled. L. n° 576/75	Rivaled. L. n° 72/83	Rivaled. L. n° 413/91	Revaluation from mergers	Historical values not subject to revaluation	Total 31.12.2024
Land and buildings	465	1	58	56	-	14,552	15,132
Plant and machinery	3,342	2	-	-	1,991	8,503	13,838
Industrial and commercial equipment	-	-	-	-	-	1,120	1,120
Other goods	-	-	-	-	-	7,153	7,153
Assets in progress and advances	-	-	-	-	-	1,202	1,202
	3,807	**3**	**58**	**56**	**1,991**	**32,530**	**38,445**

The total €38,445 thousand includes the revalued historical cost of property, plant and equipment for €24,789 thousand, investment property totaling €3,301 thousand and assets held for sale for €10,355 thousand.

19. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year, new companies Buzzi Gestione Immobili Srl (€3,000 thousand) and Buzzi Participações Ltda (€163) were established. Through Buzzi Participações Ltda an additional 50% of Nacional Cimentos Participações SA was acquired, as a result of this purchase Buzzi SpA now holds 100% of the Brazilian group.

(thousands of euro)	**2024**	**2023**
Beginning of year		
Cost/deemed cost	3,126,011	3,128,204
Accumulated write-downs	(300,233)	(301,767)
Net book amount	**2,825,778**	**2,826,437**
Additions/Decreases	3,049	503
Write-downs, revaluations, reversals	(23)	(3)
Disposals and other historical cost	-	(2,696)
Disposals and other accumulated write-down	-	1,537
Year end		
Cost/deemed cost	3,129,060	3,126,011
Accumulated write-downs	(300,256)	(300,233)
Net book amount	**2,828,804**	**2,825,778**

The value of equity investments is tested for indicators of impairment, based on the impairment policy approved separately and in advance of these statutory financial statements.
From the analysis carried out, there were no indications that these assets may be impaired, except for the two Algerian associated companies (Société des Ciments de Sour El Ghozlane EPE SpA and Société des Ciments de Hadjar Soud EPE SpA).
Furthermore, a sensitivity analysis was performed on the recoverable amount, to verify the effects of reasonably possible changes, if any, in the key assumptions. Specifically, we reasoned upon changes in the cost of money (and consequently WACC discount rate) and net operating cash flow.
Only in the event of a meaningful cash flows decrease or an increase of the discount rate by some percentage points, the recoverable amount of the two associates would come out lower than the carrying amount at the balance sheet date.

In detail, with evidence of the variations occurred in 2024, the investments are as follows:

(thousands of euro)		Net book amount 31.12.2023	Acquisitions Transfers	Supplies/ Reclassifications	Write-ups (write-downs)	Net book amount 31.12.2024	% of ownership
Investments in:							
Subsidiaries							
Buzzi Unicem Srl - Casale Monferrato AL (IT)		389,163	-	-	26	389,189	100.00
Unical SpA - Casale Monferrato AL (IT)		126,182	-	-	-	126,182	100.00
Nacional Cimentos Participações SA - Recife (BR)		-	-	165,824	-	165,824	50.65
Dyckerhoff GmbH - Wiesbaden (DE)	-	1,843,564	-	-	-	1,843,564	100.00
Buzzi Participações Ltda - Recife (BR)	(*)	-	-	-	-	-	100.00
Buzzi Gestione Immobili Srl - Casale Monferrato AL (IT)		-	3,000	-	-	3,000	100.00
Alamo Cement Company - San Antonio (USA)		27,607	-	-	-	27,607	100.00
RC Lonestar Inc. - Wilmington - (USA)		155,055	-	-	-	155,055	51.50
Buzzi Unicem Algérie Sàrl in liquidation - Ouled Fayet -Algiers (DZ)		-	49	-	(49)	-	70.00
		2,541,571	**3,049**	**165,824**	**(23)**	**2,710,421**	
joint ventures							
Nacional Cimentos Participações SA - Recife (BR)		165,824	-	(165,824)	-	-	-
Fresit BV - Amsterdam (NL)		6,479	-		-	6,479	50.00
Presa International BV Amsterdam - (NL)		3,950	-		-	3,950	50.00
		176,253	**-**	**(165,824)**	**-**	**10,429**	
Associated companies							
Société des Ciments de Sour El Ghozlane EPE SpA - Sour El Ghozlane (DZ)		33,000	-	-	-	33,000	35.00
Société des Ciments de Hadjar Soud EPE SpA - Azzaba (DZ)		39,455	-	-	-	39,455	35.00
Alpacem Cement dd (già Salonit Anhovo Gradbeni Materiali d.d.)		23,113	-	-	-	23,113	25.00
Alpacem Cementi Italia SpA - San Vito al Tagliamento PN (IT)		2,886	-	-	-	2,886	25.00
Hinfra Srl - Casale Monferrato AL (IT)		2,000	-		-	2,000	60.00
Laterlite SpA - Solignano PR (IT)		7,500	-	-	-	7,500	33.00
Premix SpA - Melilli SR (IT)		-	-	-	-	-	-
		107,954	**-**	**-**	**-**	**107,954**	
Total subsidiaries, associates and joint ventures		**2,825,778**	**3,049**	**-**	**(23)**	**2,828,804**	

(*) il valore della partecipazione è di 163 euro.

List of investments with the additional information required by CONSOB (communication no. DEM/6064293 of 28 July 2006):

(euro)

Name and registered office	Share capital	Profit Operating	Heritage net	% of possess	Number Shares/Qu	Value accountant
Subsidiaries						
Buzzi Unicem Srl						
Casale Monferrato (AL)						
Al 31.12.2023	120,000,000	109,446,598	503,644,674	*100.00*	-	389,163,676
Al 31.12.2024	**120,000,000**	**149,147,679**	**652,850,363**	***100.00***	-	**389,189,499**
Unical SpA						
Casale Monferrato (AL)						
Al 31.12.2023	130,235,000	24,132,772	138,724,324	*100.00*	260,470,000	126,181,074
Al 31.12.2024	**130,235,000**	**41,683,582**	**180,427,331**	***100.00***	260,470,000	**126,181,074**
Dyckerhoff GmbH						
Wiesbaden (DE)						
Al 31.12.2023	105,639,816	211,245,353	1,772,213,284	*100.00*	-	1,843,564,084
Al 31.12.2024	**105,639,816**	**243,535,889**	**1,920,749,172**	***100.00***	**-**	**1,843,564,084**
Nacional Cimentos Participações SA						
Recife (BR)						
Al 31.12.2023	837.072.000 (#)	51,269,350	276,676,862	*50.00*	-	165,824,145
Al 31.12.2024	**837.072.000 (#)**	**14,270,354**	**181.137.019**	***50.65***	**-**	**165,824,145**
Alamo Cement Company						
San Antonio (USA)						
Al 31.12.2023	200.000 (*)	111,968,388	576,222,727	*100.00*	200,000	27,607,046
Al 31.12.2024	**200.000 (*)**	**133.948.370**	**697.953.038**	***100.00***	200,000	27,607,046
RC Lonestar Inc.						
Wilmington - (USA)						
Al 31.12.2023	10 (*)	295,706,630	2,381,384,918	*51.00*	515	155,054,642
Al 31.12.2024	**10 (*)**	**368.877.982**	**2.768.998.873**	***51.00***	515	155,054,642

(#) amount expressed in BRL.

(*) amounts expressed in USD.

For the investments in the main affiliated and jointly controlled companies, the latest official data for 2023 are provided:

(thousands of euro)	Total Assets	Total Liabilities	Revenues	Profit Operating
2023				
Fresit BV	223,488	88	93,982	93,847
Presa International BV	202,292	31	27,657	27,582
Société des Ciments	119,670	16,308	29,693	4,652
Société des Ciments	143,769	22,154	35,580	5,198
Alpacem Cement dd (già Salonit Anhovo Gradbeni Materiali d.d.)	184,634	32,906	135,990	30,649
Alpacem Cementi Italia SpA	39,413	21,912	52,212	1,980
Laterlite SpA	175,441	67,721	169,125	22,555

20. INVESTMENTS IN OTHER COMPANIES

(thousands of euro)	2024	2023
Beginning of year		
Cost/deemed cost	496	9,243
Accumulated write-downs	(489)	(3,747)
Net book amount	7	5,496
Additions/ decreases historical cost for contribution	-	(8,752)
Additions/ decreases accumulated write-downs for contribution	-	3,263
Acquisitions & Subscriptions	6	5
Impairment charges	(6)	(5)
Year end		
Cost/deemed cost	502	496
Accumulated write-downs	(495)	(489)
Net book amount	**7**	**7**

The list of investments in other companies at 31 December 2024 is as follows:

(thousands of euro)	Net book amount 31.12.2023	Acquisitions/Transfers	Write-ups (write-downs)	Net book amount 31.12.2024	% of ownership
Investments in:					
A.S. Junior Libertas Pallacanestro S.s.d. a r.l. - Casale Monferrato AL (IT)	7	6	(6)	7	13.27
Tassullo SpA in insolvency proceedings - Ville d'Anaunia TN (IT) (1)	-	-	-	-	2.00
Total other enterprises	**7**	**6**	**(6)**	**7**	

(1) The value of the investment in Tassullo SpA (in insolvency proceedings) is 1 euro.

21. RECEIVABLES AND OTHER NON-CURRENT ASSETS

The following table summarizes the main categories of non-current receivables:

(thousands of euro)	2024	2023
Tax receivables	703	703
Non-current financial receivables from subisdiaries	525,393	219,005
Non-current financial receivables from associates	-	1,000
Receivables from personnel	20	20
Receivables for active guarantee deposits	34	58
	526,150	**220,786**

This item increased by €305,364 thousand; the balance is due in more than 12 months.

Non-current financial receivables from subsdiaries

(thousands of euro)	Year ended 31 December 2023	Additions	Repay-ment	Foreign exchange	Year ended 31 December 2024	Valore equo 31.12.2024
Buzzi Participações Ltda - Recife (BR)	-	310,731	-	(18,130)	292,601	248,470
Companhia de Cimento da Paraíba - CCP	-	68,339	-	139	68,478	68,608
National Company Cement - CNC	219,005	-	(68,586)	13,895	164,314	159,518
	219,005	**379,070**	**(68,586)**	**(4,096)**	**525,393**	**476,596**

Caption non-current financial receivables from related parties includes the US Dollar financing (residual amount €70,705 thousand), due in April 2026, granted to Companhia Nacional de Cimento - CNC, partially repaid in 2024 for €65,568 thousand; during the period financings in Brazilian Reais to Buzzi Participações Ltda were granted for €310,731 thousand (BRL 1,880,049 thousand) with due date September 2029 and to Companhia de Cimento da Paraíba – CCP for €68,339 thousand (BRL 440,000 thousand) with due date December 2034.

The maximum exposure to credit risk is the carrying value of each class of receivable mentioned above.

22. TRADE RECEIVABLES

(thousands of euro)	**2024**	**2023**
Trade receivables	1,191	1,809
(Loss allowance)	(609)	(541)
Trade receivables, net	582	1,268
Other trade receivables:		
- to subsidiaries	9,160	7,388
- to associated companies	-	45
- to parent companies	17	35
- to other companies of the group	185	242
	9,944	**8,978**

Trade receivables mainly consist of receivables from controlled companies resulting from services recharged to group companies, are non-interest bearing and generally have a maturity ranging from 30 to 120 days.
The balance of trade receivables is composed as follows:

(thousands of euro)	**2024**	**2023**
Unexpired trade receivables	8,914	7,818
Overdue trade receivables not in litigation	1,098	1,160
Trade receivables in litigation	541	541
To deduce:		
- Loss allowance	(609)	(541)
	9,944	**8,978**

Movements in the loss allowance for trade receivables during the year are as follows:

(thousands of euro)	**2024**	**2023**
Beginning of year	541	633
(Uses)	-	-
Increase recognized in profit or loss (releases)	68	(92)
Year end	**609**	**541**

Information related to credit risk exposure is in note 3.

23. OTHER RECEIVABLES

(thousands of euro)	2024	2023
Current financial receivables from related parties	9,324	14,403
Income tax receivables from Fimedi	35,020	28,620
Income tax receivables	4,472	5,318
Tax receivables	416	274
Receivables from social security institutions	396	458
Receivables from personnel	5	19
Other accrued income and prepaid expenses	1,705	4,180
Other current financial receivables	-	139,774
Receivables from miscellaneous	1,936	1,922
Other receivables from related	-	28
	53,274	**194,996**

Current financial receivables from related parties

The item decreases by €5,079 thousand. The main decreases are due to the receivable within the "cash pooling" agreement with Unical SpA (€7,239 thousand) and to the repayment of loans to Testi Cementi Srl for €4,000 thousand and Falconeria Srl for €2,880 thousand by the incorporating company Buzzi Unicem Srl; increases are mainly due to interests to Buzzi Paticipações Ltda for €7,250 thousand and to the reclass of Hinfra Srl loan (€1,000 thousand, subsequently increased by €100 thousand).

Income tax receivables from Fimedi

The item increases by €6,400 thousand mainly due to the positive balance of income taxes for the year that are part of the consolidation tax return with Fimedi SpA.
The carrying amount of income tax receivables is deemed to approximate their fair value.

Current financial assets

The item has zero balance, following the redemption of time-deposits in Italy amounting to €139,774 thousand in the previous period, with a maturity exceeding 3 months.

The maximum credit risk exposure of the other receivables is represented by the carrying amount of the aforementioned credits. None of the detailed items mentioned have been impaired in 2024 and 2023.

24. CASH AND CASH EQUIVALENTS

(thousands of euro)	2024	2023
Cash at banks	274,242	414,792
Cash in hand	2	2
	274,244	**414,794**

The item decreases by €140,550 thousand, mainly due to repayment of the bank loans, purchase of treasury shares and loans to group companies; the weighted average interest rate on deposits is 4.57%. The amounts shown refer to balances of bank accounts in euros and dollars, repayable on demand. The value of cash and cash equivalents is deemed to be aligned with their fair value at the balance sheet date.
The credit risk associated with cash and cash equivalents is considered limited since the counterparties are represented by leading national and international bank institutions.

25. ASSETS HELD FOR SALE

The balance of the item, amounting to €911 thousand, is unchanged and mainly done by plant and machinery from the inactive Manfredonia plant (€870 thousand).

26. SHARE CAPITAL

The share capital of Buzzi SpA is composed as follows:

(number of shares)	2024	2023
Shares issued and fully paid		
- Ordinary shares	192,626,154	192,626,154
	192,626,154	**192,626,154**
Share capital (thousands of euro)	123,637	123,637

Each ordinary share, without nominal value, confers the right to one vote, subject to the possibility, introduced into the bylaws by the extraordinary shareholders' meeting of May 9, 2024, to obtain the attribution of two votes for each share belonging to the shareholder who has applied for registration in the special list and has maintained it for a continuous period of not less than 24 months from the date of registration, without any limitation.
No allocation to the legal reserve is necessary as it represents 20% of the share capital.
The number of shares outstanding at the end of the year is as follows:

(number of shares)	ordinary
Shares issued	192,626,154
Less: Treasury shares	(11,553,586)
Outstanding at end of year	**181,072,568**

27. SHARE PREMIUM

It consists of the overall premium paid on shares issued over time. The line item amounts to €458,696 thousand as at 31 December 2024 and it is unchanged versus last year.

28. OTHER RESERVES

This item encompasses several captions, which are listed and described here below:

(thousands of euro)	2024	2023
Revaluation reserves	88,287	88,287
Merger surplus	249,177	249,177
Other	93,840	94,976
	431,304	**432,440**

Following the shareholders meeting resolution on 9 May 2024, by withdrawal from net profit of €15,841 thousand the reserve art. 2426 no. 8 bis c.c. was established in order to adjust it for net foreign exchange gains charged to the income statement and not yet realized as of December 31, 2023; while the reserve referred to in Article 6, paragraph 1, letter a) of Legislative Decree 38/2005, corresponding to the gains in income statement related to inventory, net of the related taxes, balances now zero, with a decrease by €16,977 thousand.

29. RETAINED EARNINGS

The item includes retained earnings for €1,358,906 thousand, the legal reserve for €30,132 thousand, and the OCI reserve for employee benefits, negative for €571 thousand.
The retained earnings reserve increased mainly due to the allocation of the 2023 profit for €111,619 thousand and for €16,977 thousand due to the decrease of the reserve referred to in Article 6, paragraph 1, letter a) of Legislative Decree 38/2005.

30. SHAREHOLDERS' EQUITY AS AT 31.12.2024 (PROSPECTUS ART. 2427 N° 7 BIS OF THE ITALIAN CIVIL CODE)

The detailed breakdown of the equity items, specifying their origin, potential utilization, distributability, as well as their utilization in previous financial years, as required by Article 2427 of the Italian Civil Code, is provided below.

(euro)				Summary of uses made in the Three previous years	
Shareholders' equity items Nature/Description	**Amount**	**Possible uses (*)**	**Available Quota**	**To cover leaks**	**For other reasons**
Share capital	123,636,659	-	-	-	-
Deducted: Reserve for cancellation of treasury shares	(278,106,945)	-	-	-	-
- Share premium reserve	458,696,023	A,B,C	458,696,023	-	-
- Revaluation reserve	88,286,524	A,B,C	88,286,524	-	-
- Other reserves:					
• Capital grants reserve	34,331,897	A,B,C	34,331,897	-	-
• Merger Surplus (1)	189,167,437	A,B,C	189,167,437	-	-
Profit reserves:					
- Legal reserve	30,132,378	B	-	-	-
- Other reserves:					
• Res. Gain law 576/1975 and law 904/1977	25,913,087	A,B,C	25,913,087	-	-
• Capital gains reserve for Law 169/1983	9,915,972	A,B,C	9,915,972	-	-
• Reservation of Legislative Decree 124/1993	37,437	A,B,C	37,437	-	-
• Reservation of Law 388/2000	2,500,000	A,B,C	2,500,000	-	-
• Reservation art. 2426 n. 8 bis of the Italian Civil Code	15,840,695	B	-	-	-
• Reservation art. 6 c.1 letter a) of Legislative Decree 38/2005	-	B	-	-	-
• Reservation art.7 paragraph 7) of Legislative Decree 38/2005	5,301,901	B	-	-	-
• Merger Surplus	60,009,218	A,B,C	60,009,218	-	-
• OCI Employee Benefits Reserve	(571,186)	-	-	-	-
- Retained earnings (2)	1,358,905,661	A,B,C	1,230,304,460	-	-
	2,123,996,758		**2,099,162,055**	-	-
- Non-distributable portion - Treasury share cancellation reserve			(278,106,945)		
- Remaining distributable portion			**1,821,055,110**		

(1) The merger surplus qualifies for tax purposes as a profit reserve for an amount of €31,640,742;

(2) Retained earnings that do not include profit for the year;

(*) LEGEND: A: for capital increase; B: to cover leaks; C: for distribution to members.

The share capital is tax suspended for €76,719 thousand, as a result of previous years' free increases in share capital performed by utilizing tax suspended reserves.

The reserves, tax suspended, which in the event of distribution contribute to forming the taxable income of the company, amount to €158,485 thousand and have been recorded gross of the latent tax effect as distribution is not expected:

– Revaluation reserve Laws 1952 and earlier	713	
– Revaluation reserve Law no. 72 of 19 March 1983	28,208	
– Revaluation reserve Law no. 413 of 30 December 1991	31,277	
– Revaluation reserve Law no. 342 of 21 November 2000	25,322	
– Revaluation reserve Law no. 266 of 23 December 2005	2,767	**88,287**
– Reserve for capital grants under Law 488/92	10,791	
– Capital grant reserve for the Mezzogiorno Law 64/86 and previous	10,088	
– Reserve for capital grants under Article 1 of Law 399/82	31	
– Reserve for capital grants Law 308/82	3,884	
– Reserve for capital grants Law 35/95	155	
– Reserve for capital grants for the development consortium Enna industrial area	32	
– Reserve for capital grants Law 10/1991	618	
– Reserve contributions for the Termie project	1,057	
– Capital grants reserve art. 55 of Presidential Decree 917/1986 higher VAT deduction	2,718	
– Capital grants reserve Law 127/1980	38	
– Reserve for capital grants Law 488/1992 (ex Cementizillo SpA)	4,906	
– Reserve for capital grants under Article 55 of Law 526/1982 (ex Cementi Riva Srl)	14	**34,332**
– Reserve for capital gains from contributions to Law 904/77		**25,913**
– Reservation of Legislative Decree 124/93		**37**
– Capital gains reserve Law 169/83		**9,916**
Total tax-deferred reserves		**158,485**

The revaluation reserves, distinctly indicated, refer to assets for which, as permitted by accounting standards, Buzzi SpA has decided to maintain values inclusive of revaluations made following specific laws, considering their real economic value, recorded before the transition date to IFRS in the consolidated financial statements. Similarly, the revaluation reserve under Law 266/2005 is indicated for the portion corresponding to the tax recognition of the values recorded in the financial statements, pursuant to Article 14 of Law 342/2000 referred to by this provision and also maintained in the application of international accounting standards.
It is worth mentioning the provision of Article 109, paragraph 4, letter b) of Presidential Decree No. 917 of 22 December 1986 (Italian Tax Code), as in force before the amendments made by Article 1, paragraph 33, letter q), number 1) of Law No. 244 of 24 December 2007, according to which, in the event of dividend distribution, the net equity reserves and the retained earnings contribute to the company's income if, and to the extent that, the amount of the remaining net equity reserves and retained earnings carried forward is less than the excess of the deductions

for depreciations, value adjustments and provisions charged to the income statement, net of the related deferred tax assets.

For the company, the portion of retained earnings reserves earmarked for tax purposes to cover costs and expenses deductible only in the tax return, net of related deferred taxes, amounts to €554 thousand.
The costs and expenses deducted solely for tax purposes, which require such earmarking, consist of advanced depreciations totaling €729 thousand, net of related deferred taxes amounting to €175 thousand.

31. DEBT AND BORROWINGS

(thousands of euro)	2024	2023
Long-term debt - non-current		
- unsecured term loans	316,295	338,630
- financial payables to related parties	-	538,462
	316,295	**877,092**
Current portion of long-term debt		
- unsecured term loans	179,879	252,410
- financial payables to related parties	572,721	-
	752,600	**252,410**
Short-term debt		
- unsecured term loans	594	-
- financial payables to related parties	266,363	168,188
- accrued interest expense	4,728	4,903
- accrued interest expense due to related parties	9,437	8,584
	281,122	**181,675**
	1,350,017	**1,311,177**

Financial liabilities analyzed by maturity:

(thousands of euro)	2024	2023
Within 6 months	5,322	223,727
Between 6 and 12 months	1,028,400	210,358
Between 1 and 5 years	316,295	876,094
Over 5 years	-	998
	1,350,017	**1,311,177**

During the year, the Mediobanca (€50,000 thusand), Landesbank Hessen-thuringen Girozentrale (€124,000 thousand) and Landesbank Baden Wurttenberg (€78,500 thousand) loans were repaid at maturity.
Unsecured by guarantees loans consist of:

(thousands of euro)

Description	Amount	Maturity
Unicredit Bank AG loan signed on 31/07/2018 for an amount of USD 135,000 thousand at a fixed rate, valued at amortised cost	129,926	31.07.2025
Landesbank Hessen-Thuringen Girozentrale loan signed on 14/08/2019 for an amount of 1,000 thousand Euros at a fixed rate, valued at amortised cost	998	14.08.2029
Landesbank Hessen-Thuringen Girozentrale loan signed on 14/08/2019 for an amount of 16,000 thousand Euros at a fixed rate, valued at amortised cost	15,988	14.08.2026
Unicredit Bank AG loan signed on 04/11/2022 for an amount of 150,000 thousand Euros at a floating rate, valued at amortised cost	49,953	10.11.2025
Unicredit Bank AG loan signed on 04/11/2022 for an amount of 150,000 thousand Euros at a floating rate, valued at amortised cost	149,717	14.08.2026
Unicredit Bank AG loan signed on 29/04/2024 for an amount of 32.500 thousand Euros at a floating rate, valued at amortised cost	32,419	06.05.2027
Unicredit Bank AG loan signed on 29/04/2024 for an amount of 117,500 thousand Euros at a floating rate, valued at amortised cost	117,173	04.05.2029
	496,174	

Undrawn committed facilities at 31 December 2024 amount to €157,505 thousand. They are variable-rate and have maturity date in 2028.

Financial payables to group companies
Financial payables to group companies consist of long-term borrowings in US dollars from Alamo Cement Company for €219,576 thousand and from Lone Star Industries, Inc. for €360,524 thousand, current loans for cash-pooling from Buzzi Unicem Srl for €145,201 thousand, from Dyckerhoff GmbH for €116,562 thousand and from Unical SpA for €6,658 thousand. The amounts also include accrued interest, classified among short-term borrowings.

The following table summarizes the carrying amount of the borrowings and the comparison with their fair value:

(thousands of euro)	2024 Carrying value	2024 Fair value	2023 Carrying value	2023 Fair value
Floating rate borrowings				
- unsecured term loans	349,262	362,031	199,527	204,860
- financial payables to group companies	266,363	266,363	168,188	168,188
Fix rate borrowings				
- financial payables to group companies	582,158	587,606	538,462	551,584
- unsecured term loans	152,234	151,301	391,513	392,788
	1,350,017	**1,367,301**	**1,297,690**	**1,317,420**

The fair values are based on the cash flows discounted at current borrowing rates for the group and are within level 2 of the specific hierarchy.

32. DERIVATIVE FINANCIAL INSTRUMENTS

On May 17, 2024, Grupo Ricardo Brennand notified Buzzi SpA of the exercise of the put option for the sale of the remaining 50% of Nacional Cimentos Participações SA, which was accounted for as the differential between the exercise price of the option and the fair value of the share to be acquired (2023: negative €4,787 thousand). On October 3, 2024 following the conclusion of the purchase and sale agreement, the residual fair value of the derivative was recognized directly in the income statement (note 13).

	2024			2023		
		Fair value			Fair value	
(thousand of euro)	**Notional**	**Positive**	**Negative**	**Notional**	**Positive**	**Negative**
Nacional Cimentos Participações SA takeover option	-	-	-	320,178	-	4,787

33. EMPLOYEE BENEFITS

The line item includes post-employment benefits and other long-term benefits.

Post-employment benefits

They consist of pension plans, employee severance indemnities and other. The company provides post-employment benefits for their employees either directly or indirectly, by paying contributions to independently administered funds. The obligations relate to active employees. Liabilities for contributions accrued but not yet paid are included within other payables.

Defined contribution plans

Defined contribution plans for post-employment benefits refer to employee severance indemnities or TFR for companies with at least 50 employees, after 31 December 2006.
Expenses associated with defined contribution plans are charged to the income statement together with social security contributions under staff costs. No further commitments on the part of the employer exist over and above the payment of contributions to public plans or private insurance policies.

Defined benefit plans

Defined benefit plans may be unfunded, or they may be wholly or partly funded by the contributions paid by the company and, sometimes, by its employees to an entity or fund legally separate from the employer by which the benefits are paid.
Employee severance indemnity (TFR) is considered a defined benefit plan and is unfunded. It consists of the residual obligation that was required until 31 December 2006 under Italian legislation to be paid by companies with more than 50 employees, or accrued over the employee’s working life for other companies. The obligation is remeasured every year, according to national employment laws. The provision is settled upon retirement or resignation and may be partially paid in advance if certain conditions are met. The level of benefits provided depends on the date of hire, length of service and salary. The commitment that amounts to €1,902 thousand (2023: €1,738 thousand), has a weighted average duration of approximately 6 years.

Other long-term benefits

The company grants also other long-term benefits to its employees, generally paid when the employee attains a specific seniority. In this case the valuation reflects the probability that payment is required and the length of time for which payment is likely to be made. These schemes are unfunded and the amount of the obligation is calculated on an actuarial basis, in accordance with the projected unit credit method. Actuarial gains and losses arising from this obligation are recognized in the income statement.

The table below provides the main variations that occurred during the year:

(thousands of euro)	Employee severance indemnities	Other long-term employee benefits	Total
At 1 January 2023 post-cotribution	**9,079**	**1,043**	**10,122**
Decreases due to contribution	(7,070)	(895)	(7,965)
Value as at 1 January 2023 post-contribution	**2,009**	**148**	**2,157**
Increase recognized in profit or loss	176	18	194
Benefit payments	(516)	(31)	(547)
Other changes	69	(18)	51
At 31 December 2023	**1,738**	**117**	**1,855**
Increase recognized in profit or loss	279	16	295
Benefit payments	(126)	(29)	(155)
Other changes	11	17	28
At 31 December 2024	**1,902**	**121**	**2,023**

The movement in the defined benefit obligation for post-employment benefits is illustrated below:

	Employee severance indemnities		Other	
(thousands of euro)	**2024**	**2023**	**2024**	**2023**
At 1 January	**1,738**	**9,079**	**117**	**1,043**
Additions per transfer	20	-	1	-
Current service cost	227	102	16	13
	247	**102**	**17**	**13**
Interest expense	53	74	-	5
(Gains) losses from changes in demographic assumptions	-	-	-	-
(Gains) losses from changes in financial assumptions	5	26	1	1
Experience (gains) losses	(15)	58	15	(8)
	(10)	**84**	**16**	**(7)**
Benefit payments	(126)	(516)	(29)	(31)
Decrease due to transfer	-	(15)	-	(11)
Decreases due to contribution	-	(7,070)	-	(895)
At 31 December	**1,902**	**1,738**	**121**	**117**

The following table shows the maturity analysis of undiscounted payments for the next 10 years for the same type of benefits:

(thousands of euro)	**Employee severance indemnities**
Year 2025	199
Year 2026	173
year 2027	75
year 2028	246
year 2029	146
Years 2030 - 2034	3,484

In addition to forecasts of mortality and employee turnover based on current statistical insight, post-employment benefits and other long-term benefits are computed according to a discount rate of 3.18% (3.08% in 2023).
The above-mentioned rate reflects the current economic period and/or realistic expectations. The discount rate adopted is the rate applicable for high quality corporate bonds with a term corresponding to the obligation for employee benefits.
The sensitivity of the defined benefit obligation to changes in the main assumptions is presented here below:

thousands of euro	**Impact on employee severance indemnitie**
Discount rate	
Increase 0.25%	(109)
Decrease 0.25%	116

34. PROVISIONS FOR LIABILITIES AND CHARGES

(thousands of euro)	Legal claims Tax risks	Environmental risks	Other funds	Total
At 31 December 2023	**2,731**	**1,500**	**122**	**4,353**
Increase recognized in profit or loss	293	-	143	436
Used during the year	-	-	(122)	(122)
Release of provisions and reclassifications	512	-	-	512
At 31 December 2024	**3,536**	**1,500**	**143**	**5,179**

Detail by maturity of the total funds:

(thousands of euro)	Legal claims Tax risks	Environmental risks	Other funds	Total
Non-current	820	1,500	143	2,463
Current	2,716	-	-	2,716
	3,536	**1,500**	**143**	**5,179**

Legal claims and tax risks provision for €3,536 thousand is essentially composed by the provisions made against disputes regarding assessments for higher property taxes (ICI/IMU).
The environmental risks caption includes the expected costs related to the restoration of land areas and the related aquifer at the Augusta plant (SR) (€1,500 thousand).
Further details are provided in the consolidated financial statements note ‘Legal claims and contingencies’.

35. DEFERRED INCOME TAX ASSETS AND LIABILITIES

Temporary differences and tax offsetting that generate deferred tax assets and liabilities are analyzed as follows:

(thousands of euro)	Value at the 31.12.2024	Value at the 31.12.2023
Deferred income tax assets related to:		
- Provisions for liabilities and charges	217	187
- Write-down of receivables	240	240
- Long-term debt	-	5,828
- Interest expense from previous years	69,653	7,549
- Other deferred tax assets	231	188
- Employee benefits	111	114
- Losses in previous years	41,143	54,245
Total deferred income tax assets	**111,595**	**68,351**
Deferred tax liabilities related to:		
- to other related parties	(175)	(175)
- Dividends from subsidiaries	(1,117)	(1,031)
- Financial assets	(1,455)	(1,455)
- Other deferred taxes	(6,686)	(6,686)
Total deferred income tax liabilities	**(9,433)**	**(9,347)**
Balance of deferred tax assets, net	**102,162**	**59,004**

The indents of deferred tax assets and liabilities at 31 December 2024, are presented in the following table:

(thousands of euro)	Value at the 31.12.2024	Entries 2025	Entries 2026	Entries 2027	Entries 2028	Entries 2029	Entries Beyond
Deferred income tax assets related to:							
- Provisions for liabilities and charges	217	80	40	20	20	20	37
- Write-down of receivables	240	30	30	15	15	10	140
- Interest expense from previous years	69,653	16,717	16,717	16,717	16,717	2,785	-
- Other deferred tax assets	231	231	-	-	-	-	-
- Employee benefits	111	-	-	-	-	-	111
- Losses in previous years	41,143	10,000	10,000	10,000	9,188	1,955	-
Total deferred income tax assets	**111,595**	**27,058**	**26,787**	**26,752**	**25,940**	**4,770**	**288**
Deferred tax liabilities related to:							
- Accelerated depreciation	(175)	(15)	(15)	(15)	(15)	(15)	(100)
- Dividends from subsidiaries	(1,117)	-	-	-	-	-	(1,117)
- Financial assets	(1,455)	-	-	-	-	-	(1,455)
- Other deferred taxes	(6,686)	-	-	-	-	-	(6,686)
Total deferred income tax liabilities	**(9,433)**	**(15)**	**(15)**	**(15)**	**(15)**	**(15)**	**(9,358)**
Balance of deferred tax assets, net	**102,162**	**27,043**	**26,772**	**26,737**	**25,925**	**4,755**	**(9,070)**

The recognitions consider the legal offsetting between entries of opposite sign in future years and are based on a reasonable certainty about their recoverability against future positive taxable income. In particular, the credit for deferred tax assets on tax losses and interest expenses carryforward reflects the judgement on their future recoverability. In this perspective, during the year deferred tax assets on tax losses carryforwards and interest expenses were recognized for an amount of €63,038 thousand.

During the year, deferred tax liabilities have been recognized on undistributed earnings of associates (€87 thousand). As of 31 December 2024, no deferred tax liabilities have been recognized on undistributed earnings of subsidiaries and joint ventures, on which any distribution would result in the payment of related income taxes. These accumulated profits, amounting to approximately €1.9 billion, do not contribute to the composition of deferred tax liabilities since distribution is unlikely in the foreseeable future.

36. OTHER NON CURRENT LIABILITIES

Other non-current liabilities at the end of previous year amounted to €775 thousand and consisted of payables to the German tax authorities. During the year, the debt was reduced to zero as the amounts are no longer due.

37. TRADE PAYABLES

(thousands of euro)	2024	2023
Trade payables:		
- to third parties	5,253	5,476
- to subsidiaries	90	286
- to associated companies	-	-
- to other related parties	-	-
	5,343	**5,762**

The above mentioned liabilities are recorded at a value approximating their fair value.

38. OTHER PAYABLES

(thousands of euro)	2024	2023
Advances	870	877
Tax payables to the Treasury	16,914	17,434
Payables to social security institutions	1,985	1,722
Payables to personnel	2,958	2,162
Charges on sureties	7	5
Other accrued expenses and deferred income	745	703
Other	702	686
	24,181	**23,589**

Tax liabilities to tax authorities mainly relate to pending litigations regarding assessments for higher property taxes (ICI/IMU) for €16,437 thousand and other liabilities for withholding taxes on employee salaries for €444 thousand.

39. CASH GENERATED FROM OPERATIONS

(euro)	2024	2023
Profit before tax	**237,465,272**	**200,014,020**
Adjustments for:		
Depreciation and amortization	1,556,186	1,535,542
(Gains)/losses on disposal of fixed assets	(7,623)	(16,015)
(Gains)/losses on disposal of equity investments	-	(441,360)
Net change in provisions and employee benefits	338,944	596,384
Net finance costs	(254,173,379)	(221,400,896)
Other non-cash movements	(419,633)	(28,944)
Changes in operating assets and liabilities:	13,173,397	111,974,362
Trade and other receivables	14,091,961	179,577,695
Trade and other receivables from related parties	(1,651,156)	21,855,066
Trade and other payables	(191,479)	(89,307,771)
Trade and other payables to related parties	924,071	(150,628)
Cash generated from operations	**(2,066,836)**	**92,233,093**

40. FINANCING ACTIVITIES

The variations in the items included in the financing activities section of the cash flow statement are detailed as follows:

(euro)	Note	Opening Balance	Cash		Non-cash				Ending Balance
			Proceeds	**Repay-ment**	**Accruals/ contribution**	**Exchange differences**	**Amortized cost**	**Reclassifications and others**	
Long-term debt (a)									
Unsecured term loans		338,630,454	149,526,120	-	-	7,771,257	246,647	(179,879,080)	316,295,398
		338,630,454	**149,526,120**	-	-	**7,771,257**	**246,647**	**(179,879,080)**	**316,295,398**
Current portion of long-term debt (b)									
Unsecured term loans		252,410,248	-	(252,500,000)	-	-	89,752	179,879,080	179,879,080
		252,410,248	-	**(252,500,000)**	-	-	**89,752**	**179,879,080**	**179,879,080**
Short-term debt (c)									
Loans not secured by bank guarantees		-	594,456	-	-	-	-	-	594,456
Accrued interest expense		4,902,524	4,728,149	(4,728,132)	-	-	-	(174,392)	4,728,149
		4,902,524	**5,322,605**	**(4,728,132)**	-	-	-	**(174,392)**	**5,322,605**
				594,473					
Change in lease liabilities (d)									
Lease liabilities		354,189	578,963	-	-	-	-	(357,712)	575,440
Current portion of lease payables		218,812	-	(376,583)	-	-	-	488,192	330,421
		573,001	**578,963**	**(376,583)**	-	-	-	130,480	**905,861**
Change in financial payables (e)									
Financial payables to group companies - non-current		538,461,538	-	-	-	34,259,609	-	(572,721,147)	-
Financial payables to group companies - current		176,772,357	98,266,795	-	-	-	-	573,481,754	848,520,906
		715,233,895	**98,266,795**	**-**	**-**	**34,259,609**	-	**760,607**	**848,520,906**
				98,266,795					
Change in shareholdings without loss of control (f)									
Shareholdings - Buzzi Gestione Immobili Srl		-	-	(3,000,000)	-	-	-	-	3,000,000
Shareholdings - Buzzi Unicem Algérie Sàrl in liquidation		1	-	(48,594)	-	-	-	(48,594)	1
Shareholdings - Buzzi Participações Ltda		-	-	(163)	-	-	-	-	163
Shareholdings - Falconeria Srl		-	-	-		-	-	-	-
		1	**-**	**(3,048,757)**	**-**	**-**	**-**	**(48,594)**	**3,000,164**
Dividends paid to owners of the company (g)									
Dividends paid to owners of the company		-	-	(110,961,454)	-	-	-	-	-
		-	-	**(110,961,454)**	-	-	-	-	-
Buy back (h)									
Purchase of treasury shares		-	-	(147,189,726)		-	-	-	-
				(147,189,726)					

(*) The amounts are indicated under the sign of the cash flow statement.

41. DIVIDENDS

Dividends declared in 2024 and 2023 were respectively €110,961 thousand (60 eurocent per share) and €83,309 thousand (45 eurocent per share).
As for the year ended 31 December 2024 the board of directors is proposing to the Annual Shareholders' Meeting of 13 May 2025, a dividend of 70 eurocents per share. Therefore, expected dividend distribution amounts to €126,717 thousand. These financial statements do not reflect such payable to the shareholders.

42. COMMITMENTS

(thousands of euro)	**2024**	**2023**
Guarantees granted	1,500	1,500
Guarantees Received	29,836	30,047
Commitments	10,892	34,380
	42,228	**65,927**

Guarantees granted include a letter of patronage in favor of credit institutions for credit granted to Cementi Moccia SpA.
The item guarantees received includes, among others, bank and insurance guarantees in favor of entities, public administration, etc., to cover potential damages caused by the company's activities or by some group companies.
Commitments include guarantees to Nacional Cimentos Participações SA for €10,369 thousand and commitments related to the purchase of technical fixed assets for €523 thousand.
The total of future minimum payments due on short-term operating lease contracts, low-value assets, and other contracts outside the scope of IFRS 16 amounts to €1,021 thousand, of which €892 thousand within the next year and €129 thousand within 5 years.

43. LEGAL CLAIMS AND CONTINGENCIES

With reference to the description of legal disputes of Buzzi SpA, please refer to the information provided in the consolidated financial statements under note 49 Legal claims and contingencies.

44. RELATED PARTY TRANSACTIONS

Buzzi SpA is controlled by Fimedi SpA, which directly and indirectly, through its subsidiary Presa SpA, owns 52.95% of the voting shares at 31 December 2024.
Buzzi SpA assembles the professional skills, the human resources and equipment that make it possible to provide assistance to other subsidiaries and associates.
Buzzi SpA regularly carries out trading transactions with a number of subsidiaries, associated and/or joint ventures, furthermore the company provides upon request to the same entities technical and engineering services. Goods are sold on the basis of the price list in force with non-related parties and services are rendered on a cost-plus basis. There are also some transactions of financial nature with investee and parent companies; equally, they have normal terms and interest rate conditions.
Buzzi SpA provides administrative, tax, corporate, audit, personnel management and data processing services to the parent company Fimedi SpA and to other entities controlled by individuals with significant influence on Buzzi SpA, for limited amounts.
The company and its Italian subsidiaries Unical SpA and Buzzi Unicem Srl, are members of a controlled group of corporations for domestic income tax purposes, with Fimedi SpA acting as the parent.

Set out below are the main transactions carried out with related parties and the corresponding year-end balances.

Income Statement (thousands of euro)	Revenues	Purchases of goods and services and other charges	Staff costs	Finance revenues	Finance costs
Dyckerhoff GmbH	248	-	-	95,000	3,765
Cement Hranice as	13	-	-	-	-
Cimalux SA	45	-	-	-	-
Dyckerhoff Polish Sp Zoo	55	14	-	-	-
Unical SpA	4,176	142	-	8	277
Buzzi Unicem Srl	9,325	(65)	-	200	3,217
Alamo Cement Company	134	-	-	61,249	8,641
Buzzi Unicem Usa Inc.	179	-	-	-	-
Hercules Cement Co	2	-	-	-	-
Lone Star Industries, Inc.	236	-	-	-	17,325
RC Lonestar Inc.	16	-	-	73,600	-
River Cement Co	27	-	-	-	-
Nacional Cimentos Participações SA	6	-	-	5,941	-
National Company Cement - CNC	2	-	-	3,982	-
Companhia de Cimento da Paraíba - CCP	2	-	-	-	-
Companhia De Cimento Campeão Alvorada -Arcos CCA	2	-	-	-	-
Companhia De Cimento Campeão Alvorada -Matozinos CCA	2	-	-	-	-
Buzzi Participações Ltda - Recife (BR)	-	-	-	8,529	-
Companhia De Cimento Campeão Alvorada -Cantagalo CCA	2	-	-	-	-
Companhia De Cimento Campeão Alvorada-Santa Luzia CCA	2	-	-	-	-
Companhia De Cimento Campeão Alvorada -Belo Orizione CCA	2	-	-	-	-
Nacional Cimentos Paraíba S.A.	-	-	-	106	-
Fanna Cementi	3	-	-	-	-
Hinfra Srl	16	-	-	41	-
Laterlite SpA	21	-	-	2,250	-
Alpacem Cement dd (già Salonit Anhovo Gradbeni Materiali d.d.)	-	-	-	5,007	-
Société des Ciments	-	-	-	738	-
Société des Ciments de Sour El Ghozlane EPE SpA	-	-	-	552	-
Moctezuma cements SA of CV	300	-	-	-	-
Moctezuma Corporation SAB de CV	35	-	-	-	-
Fresit BV	-	-	-	58,402	-
Presa International BV	-	-	-	17,190	-
Socket PLC	14	-	-	-	-
Fimedi SpA	15	-	-	-	-
other related parties	123	124	180	-	-
Total group companies and other related parties	**15,003**	**215**	**180**	**332,795**	**33,225**
Total budget item	16,089	13,222	18,019	381,027	126,854
Impact % on the budget item	**93.25%**	**1.63%**	**1.00%**	**87.34%**	**26.19%**

Balance Sheet (thousand of euro)	Credits & Other activities Non-current	Trade receivables	Other receivables	Trade payables	Short-term and long-term debt
Dyckerhoff GmbH	-	105	-	1	116,562
Cement Hranice as	-	13	-	-	-
Cimalux SA	-	45	-	-	-
Dyckerhoff Polish Sp Zoo	-	33	-	-	-
Unical SpA	-	2,366	-	81	6,659
Buzzi Unicem Srl	-	6,205	11	9	145,201
Alamo Cement Company	-	112	-	-	219,575
Buzzi Unicem Usa Inc.	-	98	-	-	-
Lone Star Industries, Inc.	-	129	-	-	360,524
RC Lonestar Inc.	-	13	-	-	-
River Cement Co	-	17	-	-	-
Nacional Cimentos Participações SA	-	6	-	-	-
National Company Cement - CNC	164,313	2	848	-	
Companhia de Cimento da Paraíba - CCP	-	2	-	-	-
Companhia De Cimento Campeão Alvorada -Arcos CCA	-	2	-	-	-
Companhia De Cimento Campeão Alvorada - Matozinos CCA	-	2	-	-	-
Buzzi Participações Ltda - Recife (BR)	292,601	-	7,250	-	
Companhia De Cimento Campeão Alvorada - Cantagalo CCA	-	2	-	-	-
Companhia De Cimento Campeão Alvorada-Santa Luzia CCA	-	2	-	-	-
Companhia De Cimento Campeão Alvorada -Belo Orizione CCA	-	2	-	-	-
Nacional Cimentos Paraíba S.A.	68,479	-	106	-	
Buzzi Unicem Algérie Sàrl in liquidation	-	-	-	-	-
Fanna Cementi	-	3	-	-	-
Hinfra Srl	-	-	1,109	-	-
Moctezuma cements SA of CV	-	150	-	-	-
Moctezuma Corporation SAB de CV	-	35	-	-	-
Socket PLC	-	17	-	-	-
Fimedi SpA	-	-	35,020	-	-
Other related parties	-	76	-	-	-
Total group companies and other related parties	**525,393**	**9,437**	**44,344**	**91**	**848,521**
Total budget item	526,151	9,944	53,274	5,343	1,350,018
Impact % on the budget item	**99.86%**	**94.90%**	**83.24%**	**1.70%**	**62.85%**

(1) the non-current trade receivable from Cementi Moccia SpA of €461 thousand was fully written down.

The main relationships between Buzzi SpA and its subsidiaries, affiliates, jointly controlled entities, and controlling parties can be summarized as follows:

- services through annually renewed contracts mainly for administrative, financial, IT, legal, and tax services to Unical SpA, Fimedi SpA, Presa SpA, Buzzi Unicem Srl, Hinfra Srl, and Fanna Cementi Srl;
- financial receivables for financing to Companhia Nacional de Cimento - CNC, Buzzi Participações Ltda and Hinfra Srl;
- financial payables for cash pooling transactions with Dyckerhoff GmbH, Unical SpA and Buzzi Unicem Srl and for loans from Alamo Cement Company, Lone Star Industries, Inc.;
- provision, upon request, of technical and design assistance services to Dyckerhoff GmbH, Cement Hranice as, Cimalux SA, Dyckerhoff Polska Sp zoo., Alamo Cement Company, Buzzi Unicem Usa Inc., Hercules Cement Co, Lone Star Industries, Inc., RC Lonestar Inc., River Cement Co, Nacional Cimentos Participações SA, Companhia Nacional de Cimento – CNC, Companhia de Cimento da Paraíba – CCP Companhia De Cimento Campeão Alvorada -Arcos CCA Companhia De Cimento Campeão Alvorada -Matozinos CCA, Companhia De Cimento Campeão Alvorada -Cantagalo CCA, Companhia De Cimento Campeão Alvorada-Santa Luzia CCA, Companhia De Cimento Campeão Alvorada -Belo Orizonte CCA, Cementos Moctezuma SA de CV, Corporación Moctezuma SAB de CV;
- payment of interest expenses on loans from Alamo Cement Company and Lone Star Industries, Inc., and on cash pooling from Dyckerhoff GmbH, Unical SpA and Buzzi Unicem Srl;
- interest income on cash pooling from Unical SpA and Buzzi Unicem Srl and on loans to Companhia Nacional de Cimento – CNC, Buzzi Participações Ltda, Nacional Cimentos Paraíba S.A. and Hinfra Srl;
- tax consolidation agreement with the parent company Fimedi SpA, reflecting a receivable for €35,020 thousand.

During the year 2024, the relationships with related parties, as defined by IAS 24, not represented by parent companies, subsidiaries and associates, have been indicated in the previous table under the “Other related parties” category.
Additionally:

- among the received guarantees, there are bank and insurance guarantees to third parties against commitments where the company is the principal obligor, particularly to Alamo Cement Company (€12,872 thousand) Cimalux SA (€5,800 thousand) and Dyckerhoff Polska Sp zoo (€641 thousand);
- among the commitments, there are guarantees provided by Buzzi SpA on bank loans to Nacional Cimentos Participações SA for €21,535 thousand;
- there is a letter of patronage in favor of a credit institution for €1,500 thousand for a loan granted to Cementi Moccia SpA.

Key management includes the directors of the company (executive or not) and the statutory auditors. The Board of Directors identifies the key management in the Chief Executive Officer (CEO), the General Manager, and the Chief Technology Officer (CTO).
The compensation paid by Buzzi SpA, not included in the previous table, is shown below:

(thousands of euro)	**2024**	**2023**
Salaries and other short-term employee benefits	2,391	2,772
Post-employments benefits	892	652
	3,283	**3,424**

For a complete and detailed description of the consideration paid to directors, please refer to the Report on the policy regarding remuneration and fees paid, available at the company's headquarters and website.

45. OTHER INFORMATION

Material non-recurring events and transactions

As stated in the review of operations, the year ended 31 December 2024 was not affected by material non-recurring events and transactions, as defined by Consob Communication no. DEM/6064293 of 28 July 2006.

Atypical and/or unusual transactions

Please note that Buzzi did not carry out atypical and/or unusual transactions during the year ended 31 December 2024, as defined in Consob Communication no. DEM/6064293 of 28 July 2006.

Net financial position

Buzzi SpA's net financial position as at 31 December 2024, is as follows:

(thousands of euro)	Note	**2024**	**2023**
Cash and short-term financial assets:			
Cash and cash equivalents	24	274,244	414,794
To group companies	23	9,324	14,403
Short-term monetary investments		-	139,774
Other current financial receivables	23	2,111	4,499
Short-term financial liabilities:			
Current portion of long-term debt	31	(179,879)	(252,410)
Current portion of lease liabilities	16	(330)	(219)
Short-term debt	31	(595)	-
To group companies	31	(848,521)	(176,772)
Other current financial liabilities	39	(21,172)	(21,877)
Net short-term cash		**(764,818)**	**122,192**
Long-term financial liabilities:			
Long-term debt	31	(316,295)	(338,630)
Lease liabilities	16	(575)	(354)
Derivative financial instruments	32	-	(4,787)
To group companies	31	-	(538,462)
Net debt		**(1,081,688)**	**(760,041)**
Long-term financial instruments:			
To group companies	21	525,393	220,005
Net financial position		**(556,295)**	**(540,036)**

The net debt is in line with the guidelines issued by ESMA and adopted by Consob with Warning Notice No. 5/21 dated 29 April 2021.

Components of net debt
Set out below is the reconciliation of those net debt components not directly inferable from the line items in the balance sheet scheme.

(thousands of euro)	Note	2024	2023
Altri crediti finanziari correnti		**2,111**	**4,499**
Receivables from miscellaneous	23	1,427	1,427
Accrued interest income	23	684	3,072
Altri debiti finanziari correnti		**(21,172)**	**(21,877)**
Accrued interest expense	31	(4,728)	(4,903)
Tax payables to the Treasury	38	(16,437)	(16,969)
Charges on sureties	38	(7)	(5)

46. TRANSPARENCY REQUIREMENTS

The law 124/2017 art. 1, paragraphs 125-129, as modified by the law 58/2019, art. 35, introduced some new disclosure requirements regarding the transparency of public funds received not of a general nature and without consideration, remuneration or compensation nature. In particular, for companies, the legislation requires the publication in the notes to the financial statements of all the economic benefits, of an amount equal to or greater than €10,000, received from public resources.

Subsequently, the law 12/2019, art. 3 quater, paragraph 2, with the aim of simplifying the disclosure requirements foreseen for the companies benefiting from the subsidies, provided that the recording of state and de minimis aids in the National State Aid Register, referred to in article 52 of the law 234/2012, replaces the duty to indicate them in the notes to the financial statements, asking the beneficiaries to simply declare the existence of such aids in the aforementioned Register.

It should be noted that Buzzi meets the requirements of the Ministerial Decree of 21 December 2017 containing "Provisions regarding the reduction of tariffs to cover the general system charges for energy-intensive companies", as well as those provided for by the Authority Resolution 921/2017/R/eel as subsequently amended.

In the National State Aid Register, there are no reported grants in application of the Ministerial Decree of December 21, 2017, and no other cases falling under the scope of this law.

47. EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred after the balance sheet date, except for the following:
- on January 31, Buzzi SpA subscribed a capital increase to acquire a 25% interest in the Austrian company Alpacem Zement Austria GmbH.

As far as the trading outlook is concerned, reference is made to the appropriate chapter in the review of operations.

48. APPROPRIATION OF NET INCOME

Reference is made to the appropriate chapter in the review of operations.

Casale Monferrato, 28 March 2025

on behalf of the Board of Directors
Chairman

Veronica Buzzi

INFORMATION PURSUANT TO ART. 149-*DUODECIES* OF THE CONSOB REGULATION FOR LISTED COMPANIES

The following table, prepared in accordance with article 149-duodecies of the CONSOB Regulation No. 11971/99, reports the amount of the fees charged in 2024 for auditing and services other than auditing provided by auditor PricewaterhouseCoopers SpA and by entities within its network.

(thousands of euro)		**Fees charged in 2024**
Audit	PwC SpA	127
Attestation	PwC SpA (1)	120
Other services	Network PwC (2)	24
		271

(1) Attestation of compliance on consolidated non-financial statement

(2) Agreed-upon procedures on the annual financial information of the associates Société des Ciments de Sour El Ghozlane Epe SpA and Société des Ciments de Hadjar Soud Epe SpA.

CERTIFICATION OF THE FINANCIAL STATEMENTS PURSUANT TO ART. 81 TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED

- The undersigned Pietro Buzzi, as Chief Executive Officer, and Elisa Bressan, as Manager responsible for preparing Buzzi SpA's financial reports, hereby certify, pursuant to the provisions of article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, that the administrative and accounting procedures for the preparation of the annual financial statements, during the year 2024:

  - are adequate with respect to the company structure, and

  - have been effectively applied.

- The undersigned also certify that:

  a) the annual financial statements
     - have been prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Councel dated 19 July 2002;

     - correspond to the results documented in the books and the accounting records;

     - provide a true and correct representation of the financial conditions, results of operations and cash flows of the issuer;

  b) the review of operations includes a reliable analysis of operating performance and results, as well as of the situation of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Casale Monferrato, 28 March 2025

Chief Executive Officer	Manager responsible for preparing financial reports
Pietro BUZZI	**Elisa BRESSAN**

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the Shareholders of
Buzzi SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Buzzi SpA (the "Company"), which comprise the balance sheet as of 31 December 2024, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the cash flows statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Evaluation of the investments in subsidiaries, associates and jointly controlled companies recoverability *Note 2 of the statutory financial statements "Summary of material accounting policies" and note 19 "Investments in subsidiaries, associates and joint ventures"*	
As of 31 December 2024 investments in subsidiaries, associates and jointly controlled companies amount to Euro 2,829 million, equal to approximately 74 percent of total assets, and refer to subsidiaries for Euro 2,711 million, to associates for Euro 108 million and to jointly controlled companies for Euro 10 million. According to the accounting standards, investments are valued at cost; in case of impairment losses, these are recognized in the income statement. In accordance with the accounting standard IAS 36 "*Impairment of assets*" and with the impairment procedure approved by the Board of Directors autonomously and in advance of the time of approval of the draft financial statements (the "Procedure"), management verifies the presence of an investments loss of value by comparing the related book value with the estimated recoverable amounts (so-called *impairment test*), when there are indicators that suggest a potential impairment. The recoverable amount of an asset is represented by the higher of its *fair value*, less costs of disposal, and its related value in use, determined by discounting the future financial flows estimated for that asset. In determining the value in use, the expected future financial flows are discounted using a discount rate that reflects the current cost of money market, in relation to the investment period and the specific risks of the asset.	We have obtained the valuation models and documentation used by management to identify any impairment loss in accordance with the Procedure and, also through the support of experts belonging to the PwC network, we have carried out the following main audit procedures: • understanding and evaluating of the Procedure and verification of its consistency with the accounting standard IAS 36 "*Impairment of assets*", as well as its compliant application; • analysis of the results of the audits performed by the component auditors; • verification of the models mathematical accuracy; • consistency verification of the cash flows used for the purposes of the impairment test with the economic - financial projections approved by the Board of Directors on 28 March 2025; • evaluation of the reasonableness of the main assumptions underlying the determination of the data included in the models, with particular reference to prospective cash flows also in consideration of historical data and of climate change risks, to growth rates also in light of those forecasted for the sector by external sources of information and discounting rates used to determine value in use; • verification of sensitivity analyses on relevant assumptions, with particular

Specifically, management carried out the annual impairment exercise as of 31 December 2024, determining the recoverable amount according to the configuration of the value in use obtained by discounting the investees' forecast data, relating to the five-year period subsequent to the balance sheet date deriving from the 2025 - 2029 economic and financial projections approved by the Board of Directors on 28 March 2025, to which a terminal value was added. The key assumptions used to determine the forecast data of the investees are related to the estimate of turnover, EBITDA, operating cash flows, long-term growth rate and the weighted average cost of capital (discount rate), taking into account past economic - financial performances and future expectations.

The assessment of the investments in subsidiaries, associates and jointly controlled entities recoverability was considered a key audit matter of the audit due to its significance on the financial statements as well as for the complex estimates underlying the impairment test, such as those relating to prospective cash flows, the variables included in the discount rates and the growth rate to be used for estimating the terminal value after the explicit forecast period.

reference to future financial flows and their discount rates.

Finally, we have also verified the adequacy and completeness of the information provided in the notes to the statutory financial statements with respect to the information and data obtained during the audit and with respect to the international accounting standards requirements.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No 537/2014

On 12 May 2022, the Shareholders of Buzzi SpA in general meeting engaged us to perform the statutory audit of the Company's separate and consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Buzzi SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the financial statements as of 31 December 2024, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) No. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2024 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10 and with article 123-bis, paragraph 4, of Legislative Decree No. 58/98

The directors of Buzzi SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Buzzi SpA as of 31 December 2024, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are consistent with the financial statements of Buzzi SpA as of 31 December 2024.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Turin, 14 April 2025

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

As disclosed by the Directors on page "Contents", the accompanying financial statements of Buzzi SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

STATUTORY AUDITORS' REPORT

STATUTORY AUDITORS' REPORT TO THE SHAREHOLDERS' MEETING OF BUZZI S.P.A. CALLED TO APPROVE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024, PURSUANT TO ARTICLE 153 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998 AND OF ARTICLE 2429, PAR. 2, OF THE ITALIAN CIVIL CODE

Dear Shareholders,

in this Report, drafted in compliance with Article 153 of Legislative Decree No. 58 of 24 February 1998 (the Consolidated Law on Finance, hereinafter "TUF") and in accordance with the recommendations made by Consob in Communication No. DEM/1025564 of 6 April 2001, as further updated, the Board of Statutory Auditors reports on the activities carried out during the year ended 31 December 2024 and until today's date. This is done in compliance with applicable legislation and considering the Principles of Conduct for Boards of Statutory Auditors of Listed Companies recommended by the Italian National Board of Certified Accountants and Auditors (CNDCEC), recently updated in December 2024, as well as the guidelines contained in the Corporate Governance Code for Listed Companies approved by the Corporate Governance Committee in January 2020 (the 'Corporate Governance Code').

COMPOSITION AND FUNCTIONING OF THE BOARD OF STATUTORY AUDITORS

The- Board of Statutory Auditors in office at the date of this report was appointed by the Shareholders' Meeting of Buzzi S.p.A. (hereinafter "Buzzi"), held on 12 May 2023 for the three-year period 2023-2025, i.e. until the Meeting for the approval of the financial statements as of 31 December 2025, and consists of[1]:

• Statutory Auditors: Raffaella Pagani (Chairman), Paola Lucia Giordano and Giorgio Zoppi;
• Alternate Statutory Auditors: Roberto D'Amico and Giulia De Martino.

Following the resignation of Alternate Statutory Auditor Maurizio Di Marco Tullio on 28 September 2024, the number of Alternate Statutory Auditors decreased from 3 to 2. The integration of the Board of Statutory Auditors for the appointment of an alternate Statutory Auditor will be submitted to the next Shareholders' Meeting.

In January 2025, the Board of Statutory Auditors positively verified that all members met the independence requirements set forth in Article 148, paragraph 3 of the Consolidated Law on Finance (TUF) as well as Recommendations 6, 7 and 9 of the Corporate Governance Code. All the standing members of the Board of Statutory Auditors comply with the limit on the accumulation of offices provided for by Article 144-terdecies of the Issuers' Regulations.

In line with the recommendations of Standard Q.1.7. of the Rules of Conduct of the Board of Statutory Auditors of Listed Companies issued by the CNDCEC – 2024, the Board of Statutory Auditors carried out the annual self-assessment of its composition and functioning, expressing an opinion of overall adequacy and balanced distribution of the skills mainly acquired based on professional experience.

[1] The appointment took place on the basis of the two lists deposited, respectively, by the majority shareholders, FIMEDI S.p.A. and PRESA S.p.A., holders of 52.952% of the voting stock at the meeting, and by a group of asset management companies and other institutional investors (holders of approximately 1.21031% of the share capital overall).

The Board of Statutory Auditors fulfilled its supervisory duties mandated by Article 2403 of the Italian Civil Code and Article 149 of TUF, by overseeing compliance with the law and the articles of association, compliance with the principles of proper administration, the adequacy of the organisational structure, the financial reporting process, the internal control and risk management system and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company, including the latter's reliability in correctly representing operating events, the adequacy of the provisions issued by the Company to its subsidiaries, as well as the manner in which the corporate governance rules are actually implemented, and monitored, in its capacity as the Internal Control & Audit Committee pursuant to Article 19 of Legislative Decree 39/2010, the auditing of the Company's financial statements, the internal control system and the risk management system. Legislative Decree 39/2010, the statutory audit of the annual and consolidated accounts. The Board of Statutory Auditors also monitored the independence of the Independent Auditors in charge of the accounts audit.

Information necessary to fulfilling these supervisory duties was obtained through frequent meetings with the heads of the relevant corporate entities, Internal Audit and the Supervisory Committee. The Board also participated in meetings of the Board of Directors, the Control, Risks & Sustainability Committee (hereinafter also CRS Committee) and the Related Party Committee (hereinafter also RP Committee). The RP Committee operates in accordance with the Procedure for Transactions with Related Parties adopted by the Company pursuant to art. 4 of the Consob Regulation referred to in Resolution no. 17221 of 12 March 2010 and subsequent amendments.

During 2024, the Board of Statutory Auditors:

- held 13 meetings and attended 6 meetings of the Board of Directors, 6 meetings of the CRS Committee and 2 meetings of the RP Committee. Board meetings averaged approximately 3,5 hours each;
- in most cases scheduled meetings on the same day as those of the CRS Committee and the Supervisory Committee, including joint sections to facilitate the exchange and uniqueness of relevant information among parties responsible for internal controls and to optimize the use of company resources involved;
- regularly met and exchanged information with the representatives of the Audit firm Pricewaterhouse Coopers (PwC) S.p.A;
- participated in follow-ups organised by the Company for induction purposes during the Board of Directors or its Committees meetings, as detailed in the Report on Corporate Governance and Ownership Structure, for the year 2024. The sessions covered various topics, including sustainability, in particular within the framework of the identification of relevant Impacts, Risks and Opportunities (IRO) with regard to sustainability issues and also visiting the headquarters of the sub-holding Dyckerhoff GmbH and the cement production plants in Göllheim and Amönenburg in September 2024. The sessions were conducted by the management functions responsible for the various topics.

Pursuant to Article 153 of TUF and Article 2429, paragraph 2, of the Italian Civil Code, in accordance with Consob recommendations and based on the main information obtained during the Board’s performance of its duties, the following information is provided.

SUPERVISORY ACTIVITY WITH REGARD TO COMPLIANCE WITH THE LAW, THE BYLAWS, AND THE CORPORATE GOVERNANCE CODE

1. The Board of Statutory Auditors constantly received from Directors, during the above-mentioned meetings, comprehensive information on business performance, its outlook, operations, economic, financial and capital transactions performed by the Company and/or its subsidiaries, as well as on

going strategic projects, on which the Board of Statutory Auditors has no particular observations to report. At the Board of Directors meeting in November 2024, the directors approved the strategic guidelines.

2. Based on the available information acquired through its supervisory activity, the Board of Statutory Auditors did not detect any violations of the law or bylaws, or outwardly imprudent or risky transactions, or transactions that entail a potential conflict of interest or actions contrary to resolutions taken by the Shareholders' Meeting that could jeopardise the integrity of the Company's assets or its ability to continue to operate as a going concern.
3. The Board of Statutory Auditors oversaw the proper implementation of the 2020 CGC's principles and recommendations adopted by Buzzi, and also having regard to the 2025 recommendations of the Corporate Governance Committee of Borsa Italiana, verifying the conformity of the Company's corporate governance system with the recommendations expressed, as detailed in the Report on Corporate Governance and Ownership Structure prepared pursuant to Article 123-bis of TUF, and approved by the Board of Directors on 28 March 2025 (available on the Company's website).
4. Additionally, the Board of Statutory Auditors verified the activities conducted under "Buzzi's Shareholder Engagement Policy", approved by the Board of Directors on 3 August 2021, through periodic reports with the Investor Relator during the year.
5. The Board confirms compliance of the corporate bodies' composition - appointed in the ordinary Shareholders' Meeting of 12 May 2023 - with legislative, regulatory provisions and the company's bylaws.
6. Diversity policies and criteria for corporate bodies are detailed in the Report on Corporate Governance and Ownership Structure 2024, in paragraphs 4.3 for the Board of Directors and 11.2 for the Board of Statutory Auditors. The Board Performance Evaluation activity occurs every three years, with the last assessment conducted in November 2022.
7. The Board of Statutory Auditors verified the correct application of criteria and assessment procedures adopted by the Board of Directors to evaluate the existence of the requirements of its executive members, qualified as independent, taking note of the declarations issued. The Board of Statutory Auditors believes that these assessment criteria and procedures are, in substance and, as a whole, adequate. The outcomes of these activities are described in the Report on Corporate Governance and Ownership Structure 2024, prepared in accordance with article 123-bis of the TUF.

SUPERVISORY ACTIVITY ON COMPLIANCE WITH THE PRINCIPLES OF SOUND MANAGEMENT AND THE ADEQUACY OF THE ORGANISATIONAL STRUCTURE on the adequacy of the administrative and accounting system and its reliability in representing management events, and on the adequacy of the internal control system

1. During its periodic audits, the Board of Statutory Auditors met with the Manager responsible for preparing financial reports[2], the Manager responsible of certifying sustainability reporting for the

[2] On 12 May 2023, the Board, following the mandatory but non-binding opinion of the Board of Statutory Auditors, confirmed the Administrative Director, Elisa Bressan, as the Manager responsible for preparing the accounting and corporate documents. The role lasts until the Shareholders' Meeting to approve the Financial Statements as of 31 December 2025.

financial year 2024,[3] the Head of Internal Audit, and representatives of the Independent Auditors [4], to obtain information on the activities carried out and audit plans. No relevant data or information have emerged that need to be highlighted herein.

2. The Board also constantly and promptly exchanged information, relevant for the performance of its respective tasks, with the CRS Committee and the Supervisory Committee.
3. The Board of Statutory Auditors obtained knowledge of and, within its remit, supervised:
    - the adequacy, suitability and functioning of the organisational structure of the company and group, including by collecting information from the heads of company functions,
    - the adequacy and functioning of the internal control system and administrative and accounting system, and the reliability of the latter in properly reporting operating events, in accordance with the principles of sound management, by obtaining information from the heads of the responsible functions and the Independent Auditors appointed and by reviewing company documents.

Regarding the foregoing, the Board of Statutory Auditors has no particular remarks to relate, did not submit any reports to the governing body pursuant to and for the purposes of Article 25-octies of Legislative Decree No. 14/2019, and did not receive any reports from qualified public creditors, pursuant to Article 25-novies of Legislative Decree No 14/2019.

4. The Board of Statutory Auditors conducted inquiries into specific issues, meeting directly with the Company’s top managers to address main risks and the related impacts on Buzzi’s business and reviewed at meetings with the CRS Committee. In particular, the Board of Statutory Auditors was periodically informed by the Head of Internal Audit and the Manager responsible for preparing financial report and by the Manager responsible for certifying sustainability reporting for the financial year 2024, about the impacts arising from the Russia-Ukraine conflict on Buzzi (CONSOB warning of 18-19 March 2022) and about the mitigation actions put in place by the Group, on climate disclosure in the financial statements pursuant to Legislative Decree 125/2024 (attention call no. 2/2024 of 20 December 2024) and on other relevant aspects of sustainability; the Board of Statutory Auditors verified the constant monitoring by the Management of direct and indirect impacts resulting from macroeconomic effects of this situation and any associated economic and financial risks for the Company and the Buzzi Group to deal with the effects on Italian and foreign business.
5. The Board of Statutory Auditors verified the constant updating at the Group level of the system of administrative-accounting rules and procedures governing the process of preparing and disclosing financial reports and information, which are suitable to allow the issue of certifications pursuant to Article 154 of Legislative Decree No. 58/1998. The effective application and reliability of the accounting and administrative procedures was verified by the Manager in Charge of Preparation of the Company's Financial Reports with the help of the competent internal structures, also assisted by external consultants, through a monitoring plan that involved both the control and governance environment and key controls at the level of relevant processes.

[3] On 5 November 2024, the Board of Directors, in compliance with the transitional provisions set forth in Legislative Decree No. 125/2024, after obtaining the favourable opinion of the Board of Statutory Auditors, appointed Massimo Paris as the manager in charge of certifying sustainability reporting for the year 2024. At the next Extraordinary Shareholders' Meeting of 13 May 2025, a proposal will be presented to amend Article 21 of the Bylaws to introduce the provision that the attestation on the compliance of sustainability reporting pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree No. 58/98 may be rendered by an executive other than the executive in charge of drafting corporate accounting documents

[4] With regard to the audit assignment, it is recalled that the Shareholders' Meeting held on 12 May 2022 entrusted, on the basis of the reasoned proposal presented by the previous Board of Statutory Auditors, the assignment of legal audit of the accounts to the Auditing firm PricewaterhouseCoopers S.p.A. for the financial years 2023 to 2031.

6. Based on the activities performed, the Board of Statutory Auditors believes that the Company's administrative and accounting system is adequate and capable of correctly representing management events.
7. It is acknowledged that meetings were held with the Boards of Statutory Auditors of the two main Italian subsidiaries, without receiving any information worthy of mention herein. The Board also received replies to the request for information made to some foreign subsidiaries, from which it found no critical issue
8. Moreover, the Board of Statutory Auditors also verified the adequacy of instructions issued by the Company to its subsidiaries, as provided for by Article 114, paragraph 2, of TUF.
9. During the periodic audits, the Board of Statutory Auditors received constant information on the economic and financial situation of the Company and its subsidiaries.
10. The Board of Statutory Auditors was constantly updated on tax issues and the implementation of the Buzzi Group Tax Strategy approved by the Board of Directors in 2021.
11. The Board of Statutory Auditors monitored the adequacy and functioning of the Internal Control and Risk Management System by attending meetings of the CRS Committee, by participating in meetings with the competent Functions for Compliance issues, by obtaining information from the Chief Executive Officer - Director in charge of the Internal Control and Risk Management, from the Representatives of the Independent Auditors and from the Supervisory Committee. The Board of Statutory Auditors also had periodic meetings with the Head of Group Internal Audit, from whom it obtained information on the progress of the Audit Plan for the year, the results of the checks carried out and the remedial activities implemented and planned, as well as the related follow-up activities.
12. The Board of Statutory Auditors, in the meeting of 26 March 2025, examined the 2024 Risk Report (ERM risks, also including the direct and indirect effects of climate change). The methodology is aligned with international best practices and the indications of the Corporate Governance Code, as well as providing for the integration of the Enterprise Risk Management model with the principles of corporate sustainability, including climate issues.
13. From the checks carried out and the information received, it emerged that the Risk Control and Management System is adequate as a whole and suitable for pursuing risk prevention, as well as ensuring effective application of corporate conduct rules. Furthermore, the organisational structure of the system itself guarantees coordination between the different subjects and functions involved, also through a constant flow of information between the various actors.
14. The Board of Statutory Auditors supervised the process of monitoring the system implemented by Buzzi S.p.A. for the purpose of ensuring compliance with Regulation (EU) No. 2016/279 on the protection of personal data (GDPR) and met the DPO.
15. With the aim of examining the specific risks and monitoring the improvement plans initiated by the management, the Board of Statutory Auditors, in the meetings held with the Company's Management, carried out in-depth studies on specific topics, within the scope of its competence, such as, among others:
    - the organisation of the Sustainability Function, with particular reference to the process of drawing up the NFS and relations with the CRS Committee;
    - the organization of the IT Function, with particular reference to updates regarding ongoing projects, in addition to the activities implemented for Cyber Security, the associated risks and the related mitigation actions.
16. The Board of Statutory Auditors oversaw the constant updating of the Organisational, Management and Control Model pursuant to Legislative Decree No. 231/01 (hereafter “231 Model”) and its functioning, as well as its suitability and efficacy in preventing liability in relation to predicate offences, through information exchange with Supervisory Committee meetings. In general terms, the Supervisory Committee confirmed the framework of the 231 Model, based on a structured, organic

system of control procedures and activities designed to prevent and monitor the risk of commission of predicate offences pursuant to Legislative Decree No. 231/2001.

17. The "231 Model", most recently approved by the Board of Directors on 28 September 2023, incorporates the organisational and corporate changes that have affected the corporate structure and organisational structure of Buzzi S.p.A., and the new regulations on whistleblowing. Information was gathered on the operation and reports received from the internal channel adopted, following the approval of Legislative Decree 24/2023, for the management of reports of corporate wrongdoing (whistleblowing); no reports worthy of mention emerged herein.

In general, our supervisory activities did not reveal any omissions, reprehensible facts or irregularities worthy of being reported to the Shareholders' Meeting and Supervisory Bodies, so that no irregularities within the meaning of Article 149(3) of the TUF were detected.

PARTICULARLY SIGNIFICANT TRANSACTIONS – ATYPICAL OR UNUSUAL TRANSACTIONS – INTRA-GROUP OR RELATED-PARTY TRANSACTIONS

1. During 2024, based on the information available, the Company did not carry out any atypical or unusual transactions with third parties, as defined in Consob Communication No. DEM/6064293 of 28 July 2006.

2. The Review of operations approved by the Board of Directors offers an adequate overview of the events that occurred in 2024 that characterised the management of the financial year. Please refer to it for a detailed examination of the various facts and transactions. Based on the information received and the analyses conducted by the Board, among the operations of greatest economic, financial and equity importance carried out in 2024, also through subsidiaries and for which adequate information has been given in the reviews of operations and in the Notes to the Financial Statements, it is deemed appropriate to draw attention to the following events:
    - - 4,059,270 treasury shares were purchased for a total value of Euro 147 million.
    - - in October 2024, Buzzi SpA, through the Brazilian NPV Buzzi Participacoes Ltda, acquired the remaining 50% of the Brazilian company NCPAR.
    - - the sale of the Ukraine operations to CRH was completed.
3. The Board of Statutory Auditors was periodically updated in relation to:
    - Transactions with Related Parties excluded from the application of the RPT Procedure;
    - Small Operations;
    - Ordinary Transactions, regardless of whether they qualify as Minor or Major Importance;
    - Transactions of Minor or Major Importance.
4. With regard to ordinary intra-group transactions or related-party transactions carried out in the period, about which the Company provided specific and detailed information in its interim financial reports (and in the Notes to the Group's Consolidated Financial Statements), the Board of Statutory Auditors acknowledged that such transactions were carried out in accordance with the above mentioned Related-Party Procedure adopted by Buzzi and, as regards these transactions' consistency and compliance with Company's interests, no critical issues arose.
5. With reference to the authorisation to buy and purchase treasury shares approved by the Shareholders' Meeting on 9 May 2024, in connection with the purchase and sale of treasury shares; on the same date, the Company initiated a programme to purchase treasury shares up to the maximum amount resolved on at the Shareholders' Meeting and for a maximum total value of €200

million. As of the date of this report, the programme has been closed and 4,106,960 ordinary shares, equal to 2.132% of the share capital, have been purchased.

6. Considering the ordinary treasury shares already held by the company, the company holds 11,601,276 treasury shares, or 6.023% of the share capital.

SUPERVISION OF THE FINANCIAL REPORTING PROCESS, THE NON-FINANCIAL DISCLOSURE PROCESS, THE EFFICACY OF THE LEGAL AUDITING OF THE ANNUAL AND CONSOLIDATED ACCOUNTS

1. Regarding the preparation of the Statutory and Consolidated Financial Statements for the year ended 31 December 2024, the Board of Statutory Auditors acknowledges that the Board of Directors independently approved – prior to the approval of the said Financial Statements for the year ended 31 December 2024 (see Bank of Italy-Consob-ISVAP Document, jointly issued on 3 March 2010):
   - in the Board meeting of 7 February 2025, the changes to the impairment test procedure and acknowledged the assumptions and initial indications of the impairment test;
   - in the Board meeting of 28 March 2025, the multi-year plan, results of the impairment test and related assumptions.

   The notes to the financial statements contain information and outcomes of the process and assessments carried out.
2. The Board of Statutory Auditors recalls that, pursuant to Legislative Decree no. 125 of 6 September 2024. implementing the Corporate Reporting Sustainability Directive 2022/2464/EU (CSRD) and in accordance with Delegated Regulation (EU) 2023/2772 of 31 July 2023 containing the first twelve non-sectoral ESRS and Regulation (EU) 2020/852 (the so-called Taxonomy Regulation). so-called Taxonomy Regulation), as supplemented by subsequent delegated regulations, the Company is required to prepare, in a specific section of the management report, the Sustainability Reporting, in place of the Non-Financial Statement (formerly 'DNF') Legislative Decree 254/2016. The Consolidated Sustainability Report 2024 was prepared, pursuant to Articles 3 and 4 of Legislative Decree 125/2024, in compliance with the reporting standards adopted by the European Commission pursuant to Article 29-ter of the so-called Accounting Directive, as amended by the CSRD (the so-called 'ESRS') and was subject to limited assurance activities by PriceWatherhouseCoopers S.p.A.
3. Pursuant to Article 10, paragraph 1 of Legislative Decree 125/2024, the Board of Statutory Auditors, in the performance of its duties and to the extent of its competence, monitored compliance with regulatory provisions, regarding the process of preparing and publishing sustainability disclosures, also considering the provisions of the EU Regulation on Taxonomy (EU Reg. 2020/852).
4. The Board of Statutory Auditors also monitored the process of production and formation of the information reported in the Consolidated Sustainability Report, the internal control systems, which were adequate for the purpose during the financial year 2024 and, in this regard, no elements or criticalities worthy of mention herein emerged.
5. With reference to the information required by the European Sustainability Reporting Standards ('ESRS') - adopted by the Company as the sustainability reporting standard, in line with the new Corporate Sustainability Reporting Directive (CSRD) - and, more specifically, ESRS 2, paragraphs 19 and 20, letters a) and c), paragraph 21, paragraph 23, please refer to the Consolidated Sustainability Report
6. The Board of Statutory Auditors also gave its favourable opinion on the appointment of the Sustainability Manager as the Manager in charge of certifying the Sustainability Report concerning compliance with the ESRS Reporting Principles and Article 8 of the Taxonomy Regulation (all in compliance with the transitional regulation of Legislative Decree 125/24). The Board of Statutory Auditors acknowledged that the Board of Directors resolved to submit to the next Extraordinary Shareholders' Meeting of 13 May 2025 the proposal to amend Article 21 of the Bylaws to introduce the provision that the attestation on the compliance of the Sustainability Reporting pursuant to

Article 154-bis, paragraph 5-ter, of Legislative Decree No. 58/98 may be rendered by a manager other than the manager in charge of preparing the corporate accounting documents.

7. The Board of Statutory Auditors recalls that the same independent auditing firm appointed for the legal audit, PWC S.p.A., is also responsible for issuing the attestation of conformity of the Report, pursuant to Article 8 of Legislative Decree No. 125/2024. In this regard, it should be noted that the conclusions of the appointed auditing firm in the report pursuant to Article 14-bis of Legislative Decree no. 39/2010, concerning the compliance of the aforesaid report with the provisions of the aforesaid Decree governing the criteria for its preparation, compliance with the obligation to 'mark' the Sustainability Report pursuant to Articles 3, paragraph 10, and 4, paragraph 9, of the same Decree, as well as regarding compliance with the disclosure requirements of Article 8 of the Taxonomy Decree, are based on an assignment aimed at obtaining a limited level of assurance.
8. With reference to the objectives linked to the transition to alternative energy sources and the actions necessary to tackle climate change, we have been informed of the efforts pursued by the Group aimed at guaranteeing a reduction in greenhouse gas emissions, through different types of initiatives, as identified in the Buzzi Roadmap, in its business activities, as well as adequate reporting of the emissions carried out along the value chain. Also considering the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Group's sector of activity, the Company has highlighted significant impacts, considering the sector of activity, on the topic of climate change; in this regard the Group has implemented, immediately and in the future, the necessary activities (briefly summarised in the so-called Road Map) aimed at mitigating the impacts and, in the long term, hopefully, at eliminating them, also taking into account the reasonable improvements in technologies and infrastructures that will have to be made available.

It is acknowledged that during the supervisory activity described above no omissions, objectionable facts or irregularities emerged that would require reporting in this report. The Internal Audit and the Supervisory Committee, like the other company functions that the Board of Statutory Auditors has periodically met, did not report any critical issues within their respective competences. The annual report on Corporate Governance and Ownership Structure did not highlight any issues that needed to be brought to your attention.

REMUNERATION OF DIRECTORS AND KEY MANAGEMENT

1. The Board of Statutory Auditors ascertained the consistency of the remuneration attributed to the Administrative Body, the Executive Directors and the General Manager with respect to the remuneration policy. Additionally, opinions were provided on the remuneration attributed to Directors for special roles.

The characteristics of the short and long-term remuneration policies, approved by the Board of Directors at the meeting of 28 March 2025, are detailed in the Report on the Policy regarding Remuneration and fees paid, prepared pursuant to art. 123-ter of the TUF, available on the Buzzi website, the first section of which will be presented for examination and binding vote at the Shareholders' Meeting of 13 May 2025.

SUPERVISION OF THE DISCLOSURE PROCESS REGARDING THE INDEPENDENCE OF THE INDEPENDENT AUDITORS, WITH REGARD IN PARTICULAR TO THE PROVISION OF NON-AUDITING SERVICES

1. The Board of Statutory Auditors met periodically with representatives of the Independent Auditors, PricewaterhouseCoopers S.p.A., to which the Shareholders' Meeting of Buzzi S.p.A. of 12 May 2022 granted the auditing assignment for the years 2023-2031. The Board constantly received information concerning their work, audit plans and the progress and results thereof. No relevant data and/or

aspects deserving of mention herein were brought to light in connection with the matters in the purview of the Board of Statutory Auditors.

2. The Board of Statutory Auditors supervised compliance with the rules of procedure governing the preparation and publication of the Consolidated Financial Statements pursuant to Article 41 of Legislative Decree No. 127 of 4 April 1991 and Article 154-ter of TUF.
3. PricewaterhouseCoopers S.p.A., today, 14 April 2025, has released the reports required by articles 14 of Legislative Decree 39/2010 and 10 of Regulation (EU) no. 537/2014, expressing an "unmodified opinion" on the statutory and consolidated financial statements of the Company as of 31 December 2024. Regarding the paragraph concerning the "key aspects of the audit", the Auditing firm considered aspects such as the recoverability of investments with reference to the separate financial statements and goodwill with reference to the consolidated financial statements.
Furthermore, PwC S.p.A affirmed, pursuant to art. 14, paragraph 2, letter e), of Legislative Decree 39/2010, that the Review of operations and the information in the Report on corporate governance and ownership structure indicated in art. 123-bis, paragraph 4, of the TUF, are consistent with the statutory financial statements and the Group's consolidated financial statements as of 31 December 2024. The Auditing firm also certified compliance with the XHTML format and marking, as per the provisions of the Delegated Regulation, decision based on recent indications from Assirevi.
4. On the same date, the Independent Auditors provided the Company's Board of Statutory Auditors with the additional report required by Article 11 of Regulation (EU) No. 537/2014 pursuant to Article 19 of Legislative Decree No.39/2010. As stated in the opinion on the Financial Statements, this report addresses certain matters, without contradicting the opinions in question. The independent Auditors highlighted other significant risks – not material – such as revenue recognition fraud, on the statutory Financial Statements, and management override of controls, on the Statutory Financial Statements and Consolidated Financial Statements, in addition to the significant matter identified as "key aspect of the audit", in the aforementioned reports on the Statutory and Consolidated Financial Statements. No material lacks in the internal control system applicable to the financial reporting process were identified or notified to heads of governance. In the section "Other matters", as required by the recent Consob Warning Notice of 18 March 2022, visibility was given to the risks relating to the conflict in Ukraine and the related impacts; the report pursuant to art. 11 of Regulation (EU) no. 537/2014 also integrates the declaration of the Auditing firm on independence, pursuant to art. 6, paragraph 2, letter a) of Regulation (EU) no. 537/2014.
5. The Board of Statutory Auditors will report to the Board of Directors on significant matters indicated in the Independent Auditors' Report pursuant to Articles 14 and 16 of Legislative Decree No. . The Board of Statutory Auditors finally acknowledged the Transparency Report drafted by the Independent Auditors and published on their website pursuant to article 18 of Legislative Decree No. 39/2010.
6. Finally, the Auditing Firm issued, also on today's date, 14 April 2025, the report required by Article 14-bis of Legislative Decree 39/2010, consisting, as already mentioned, of a limited review regarding the compliance of the Consolidated Sustainability Report with the rules of D. Lgs. 125/2004, which governs its drafting criteria, compliance with the marking obligation set forth in Articles 3, paragraph 10, and 4, paragraph 9, of the aforementioned decree, as well as with regard to compliance with the disclosure requirements set forth in Article 8 of the Taxonomy Decree, from which no remarks emerged.
7. The Board of Statutory Auditors monitored the independence of the Independent Auditors pursuant to Article 19 of Legislative Decree No. 39/2010 and verified the nature and extent of the assignments received from Buzzi and/or the Group companies (based in Italy or abroad, both EU and non-EU) concerning services other than independent auditing, as described in the Notes to the Consolidated Financial Statements, pursuant to Article 149-duodecies of the Issuers' Regulation on the disclosure of fees.

The following table summarizes the fees for the 2024 financial year for audit and non-audit services provided by the Audit Firm Pwc S.p.A. and by entities belonging to its network:

(migliaia di euro)	**Soggetto che ha erogato il servizio**	**Destinatario**	**Corrispettivi competenza dell'esercizio 2024**
Revisione contabile	PwC SpA	Capogruppo – Buzzi SpA	127
	PwC SpA	Società controllate	178
	Rete PwC	Società controllate	1.325
Servizi di attestazione	PwC SpA	Capogruppo – Buzzi SpA [(1)]	120
Altri servizi diversi dalla revisione	Rete PwC	Capogruppo – Buzzi SpA [(2)]	24
	Rete PwC	Società controllate [(3)]	5
Totale			**1.779**

With regard to non-audit services provided by PwC to unconsolidated joint ventures and not included in the table above, in addition to the non-audit services reported above, the following are added:

Società	Descrizione incarico	Network PwC	Onorari (LC)	Onorari (Euro)	Valuta	Status/Approvazione
Corporacion Moctezuma SAB de CV	Audit local contributions by law - 2023	PwC Mexico	$ 402.000	EUR 20.956	$	Servizio approvato da CS 27.2.2024
Corporacion Moctezuma SAB de CV	Audit local contributions by law 2024-2027	PwC Mexico	$ 402.000 $ 402.000 $ 422.000 $ 443.000	EUR 90.465	$	Servizio approvato da CS 15.4.2024

8. With regard to these assignments, which are different from auditing assignments (not belonging to those prohibited under Article 5(1) of Regulation (EU) 537/2014), and the related fee, the Board of Statutory Auditors considered them to be appropriate to the size and complexity of the services entrusted and, therefore, compatible with the statutory audit assignment, finding no anomalies that would affect the independence criteria of the Auditing Firm.

9. The Board of Statutory Auditors acknowledges that Article 18 of Legislative Decree no. 125/2024 provides, on a transitional basis, the possibility that the assignments for the certification of the DNF, conferred in force of the previous legislation, remain valid also for the purposes of the certification of conformity of the sustainability reporting and the Company has availed itself of this option, updating, with the agreement of the Board of Statutory Auditors, the fees to be paid to the auditing firm PWC S.p.A., already responsible for the certification of the DNF, for the period 2024-2026.

FURTHER ACTIVITY BY THE BOARD OF STATUTORY AUDITORS: OPINIONS AND OBSERVATIONS

1. The Board of Statutory Auditors issued the opinions required by law regarding the assignment of special tasks to directors and verified the consistency of the remuneration attributed to the Administrative Body, the Executive Directors, the General Manager and Key Management with respect to the remuneration policy.

2. The Board of Statutory Auditors acknowledges that on July 26, 2024, it received a complaint pursuant to Article 2408 of the Civil Code from the shareholder Bava concerning, as indicated by the same shareholder, the following issues: “false statement by the chairman in the ordinary meeting of Buzzi on May 9, 2024: no individual integration proposals were submitted, nor new resolution proposals for failure to apply the right of withdrawal pursuant to Article 2437 ter C.C. for amendment of Article 9 of the bylaws.” The Board of Statutory Auditors, considering that Consob was informed of the complaint directly by the shareholder, has informed this authority of the initiatives it has taken consistent with the provisions of Article 2408 of the Civil Code, even though the verifications carried out had the result of excluding the existence of the reported irregularities. With regard to the minutes of the shareholders' meeting, the Board of Statutory Auditors found that what was reported therein was historically true, namely, that no requests to supplement the agenda were submitted pursuant to Article 126-bis TUF by which is meant those submitted by shareholders holding the qualified shareholding equal to one fortieth of the share capital and with application of the procedure provided for in that article of the law. It was also noted, however, that in formulating the proposal for resolution of liability action, the same shareholder Marco Bava specified that his proposal was not intended to be formulated pursuant to Article 126-bis TUF. Finally, it was verified that the proposed resolution of shareholder Marco Bava was reproduced in its entirety in the document containing the responses to the questions received pursuant to Article 127-ter TUF, where the reasons why it was not put to a vote were also specified. This document was published on the company's website and was then attached to the minutes of the meeting to form an integral part thereof. Concerning the non-recognition of the right of withdrawal in relation to the amendment to the bylaws that introduced the possibility of holding meetings exclusively with the presence of the Designated Representative, the Board of Statutory Auditors noted that there are authoritative doctrinal interpretations and jurisprudential orientations that confirm the non-existence of the right of withdrawal. The company's decision not to recognize the right of withdrawal therefore appeared to be consistent with these opinions and orientations and adequately justified.
3. The Board of Statutory Auditors did not find the existence of any of the circumstances referred to the art. 2409 of the Civil Code.
4. The Board of Statutory Auditors monitored the response that the Company gave to CONSOB on an information request received by the same pursuant to art. 115 TUF.
5. Finally, the Board of Statutory Auditors confirmed that based on the information obtained as part of its supervisory activity, no omissions, reprehensible facts, irregularities or significant circumstances requiring further other reports to the Authorities or the mention in this Report were identified; furthermore, no other complaints were received, therefore there are no irregularities pursuant to art. 149, paragraph 3, of the T.U.F..

The Board of Statutory Auditors has verified that the recommendations of CONSOB and ESMA (European Securities and Markets Authority) valid for the 2024 financial year have been correctly implemented in the 2024 Financial Report.

Regarding the annual shareholders’ meeting scheduled for 13 May 2025, the Board acknowledges that the company will benefit from the possibility of conducting the same through the participation of the designated representative exclusive (Law 23 February 2024 no. 18, with amendments, of the decree law of 30 December 2023, no. 215).

In this context, the Board of Statutory Auditors will collaborate closely with the Board of Directors to ensure that the Shareholders' Meeting proceeds in an organised manner, allowing shareholders to exercise their rights in accordance with the aforementioned provisions.

PROPOSALS FOR THE SHAREHOLDERS' MEETING REGARDING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 AND APPROPRIATION OF NET INCOME

After reviewing the Financial Statements for the year ended 31 December 2024, the Board of Statutory Auditors, considering the specific responsibilities delegated to the Independent Auditors concerning the audit of the accounts and the verification of the Financial Statements' accuracy; has no objections to the approval of the Financial Statements, to the Board of Directors' proposal regarding the distribution of an (ordinary) gross dividend of € 0.70 per (ordinary) share outstanding for a total of euro 126.717.414,60; to reset the Reserve article 2426 n.8 bis) c.c. for an amount of Euro 15,840,694.96, as no net profits on exchange rates charged to the income statement and not yet realized are present as of December 31, 2024, attributing the corresponding amount to Retained earnings; to finally allocate the residual to Retained earnings for Euro 166,855,369.48.

Casale Monferrato, April 14th, 2025

The Board of Statutory Auditors

Raffaella Pagani (Chairman)

Paola Lucia Giordano (Regular Auditor)

Giorgio Zoppi (Regular Auditor)

Buzzi SpA

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buzzi.com

Share Capital €123,636,658.80

Company Register of Alessandria-Asti no. 00930290044

Legal form: Buzzi SpA is a stock corporation organized under Italian law, controlled by Fimedi SpA

Business: Manufacturing, distribution and sale of cement, ready-mix concrete and aggregates

Place of activities: Italy, the United States of America, Germany, Luxembourg, the Netherlands, Poland, the Czech Republic and Slovakia, Ukraine, Russia, Mexico and Brazil

Cover photo: Museum Reinhard Ernst, Wiesbaden, Germania (Photo Reinhard & Sonja Ernst-Stiftun)