

MATERIAL  
**ISSUES**

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HEALTH  
& **SAFETY**

## HEALTH & SAFETY

Buzzi Unicem applies its Safety Policy in all countries in which it operates. The Policy states that safe working conditions can only be achieved through a correct assessment of risks, careful planning of preventive measures and a system of controls involving all workers. In this regard, management’s responsibility is fundamental and must be evident in every country.

Aside from prevention, it has become increasingly important to more fully evaluate occupational injuries: the identification of the causes of injuries and the definition of corrective actions are necessary for preventing their repetition.

This systematic approach ensures continual improvement in Buzzi Unicem’s injury statistics, as well as the promotion of a health and safety culture in the workplaces.

Starting in 2018, a disclosure, using a common template for all countries, will be circulated every time there is an injury or a near-miss which could also be of interest to other countries. The goal is to increase awareness to all management and subsequently avoid a repeat of events that have already occurred within the Group.

In the various geographical areas in which the Group operates, regular occupational health and safety training projects are in place to prevent typical situations of risk in industrial environments and implement regular initiatives and training activities for all the workforce. The accident rates reported

in the Sustainability Report include: the Lost Time Injury Frequency Rate (LTIFR), which measures the frequency of injuries resulting in absence from work; the Total Injury Frequency Rate (TIFR) that also considers injuries that did not result in absence from work; the Severity Rate (SR) which, along with the average duration, provides details of the seriousness of recorded injuries. The rates refer to all our business activities: cement, concrete and aggregates. Beginning in 2015, the reported rates include employees of the Group as well as employees of contractors and other non-Group service providers working at a Company facility.

In 2018, Buzzi Unicem recorded two fatal accidents. The first took place in the Volyn cement plant in Ukraine and involved the worker of a local company that was working on the decommissioning of a filter. The second occurred in the Fanna cement plant in Italy and involved an electrical maintenance operator from a local company during an intervention on a transformer. In both cases, an in-depth analysis began on the causes and identification of the necessary corrective action for avoiding a repeat of these accidents.

The Fatality Rate, which for the purpose of compatibility with data provided by Company in the sector, only considers fatal accidents involving the Group’s employees. That Rate was zero for 2018. No Third Party was involved in fatal accidents.

The table below summarizes the results of the various rates:

	Total	Cement		Concrete			
		Buzzi Unicem	Contractors	Total	Buzzi Unicem	Contractors	Total
Fatal injuries	2	0	2	2	0	0	0
Injuries causing absences from work	153	54	44	98	49	6	55
Lost days	4,525	1,980	893	2,873	1,623	29	1,652
LTIFR <sup>(1)</sup>	6.4	4.4	9.8	5.9	9.1	3.5	7.7
TIFR <sup>(2)</sup>	15.4	15.3	18.0	16.0	16.7	4.6	13.8
SR <sup>(3)</sup>	0.19	0.16	0.20	0.17	0.30	0.02	0.23
Average duration	30	37	20	29	33	5	30

<sup>(1)</sup> LTIFR = Lost Time Injury Frequency Rate = total number of injuries causing absences from work divided by hours worked and multiplied by 1,000,000.

<sup>(2)</sup> TIFR = Total Injury Frequency Rate = total number of injuries causing and not causing absences from work divided by hours worked and multiplied by 1,000,000.

<sup>(3)</sup> SR = Severity Rate = number of days lost divided by hours worked and multiplied by 1,000.

The frequency rate (LTIFR) fell to 6.4 (it was 6.9 in 2017) with a reduction in the number of injuries: 153 compared to 170 in 2017. In the cement sector, for the second consecutive year Poland confirmed the absence of injuries amongst employees and contractors. The injury rates for concrete remain higher than those for cement, although progress was made in Germany and Poland during the course of 2018.

The value of the TIFR remained stable on 15.4. The severity rate (SR) for 2018 is 0.19 (0.23 in 2017). The average duration of injuries fell from 33 to 30 days.

### Human Rights and Supply Chain

As explained above, the Group's new Safety Policy also applies to contractors.

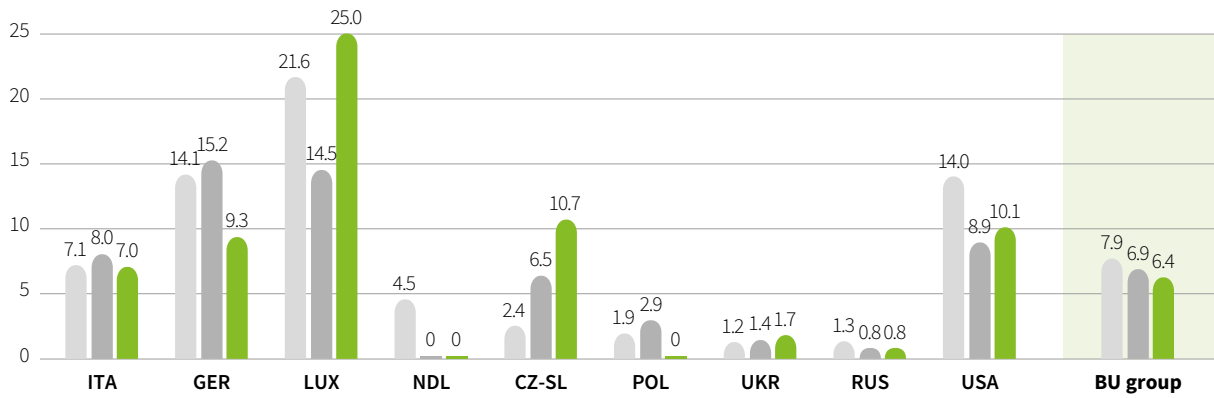
In February 2019, the Board of Directors approved the Group's new Code of Conduct. The Code defines the standards of integrity and propriety - including with regard to human rights - which Buzzi Unicem has decided to adopt as a commitment towards its stakeholders. The Code applies to Buzzi Unicem SpA and all its Italian and foreign subsidiaries.

The principles in the Code apply to directors, members of corporate bodies, employees, suppliers and everyone acting for and on behalf of Buzzi Unicem, including, but not limited to representatives, agents, associates, external advisers and companies who receive an appointment from the Group.

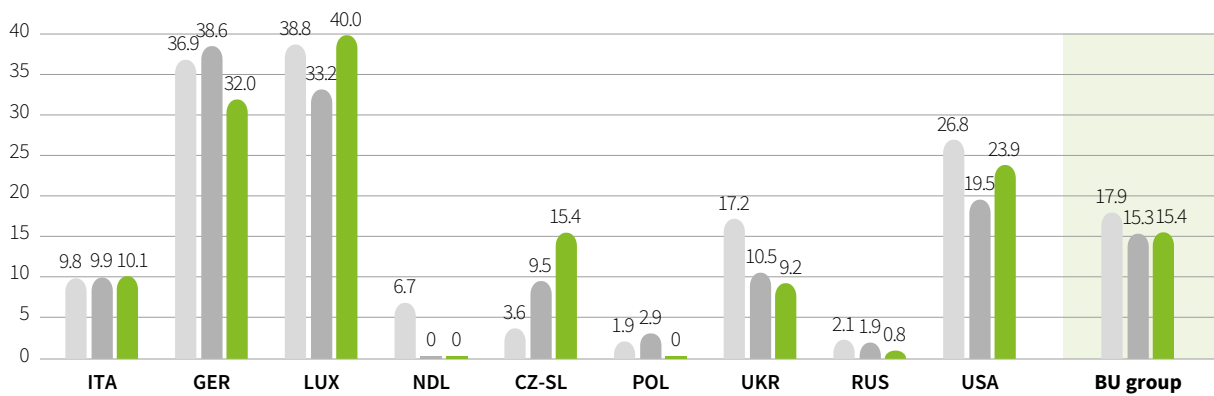


Photo: Aerial view of the Alamo plant, USA

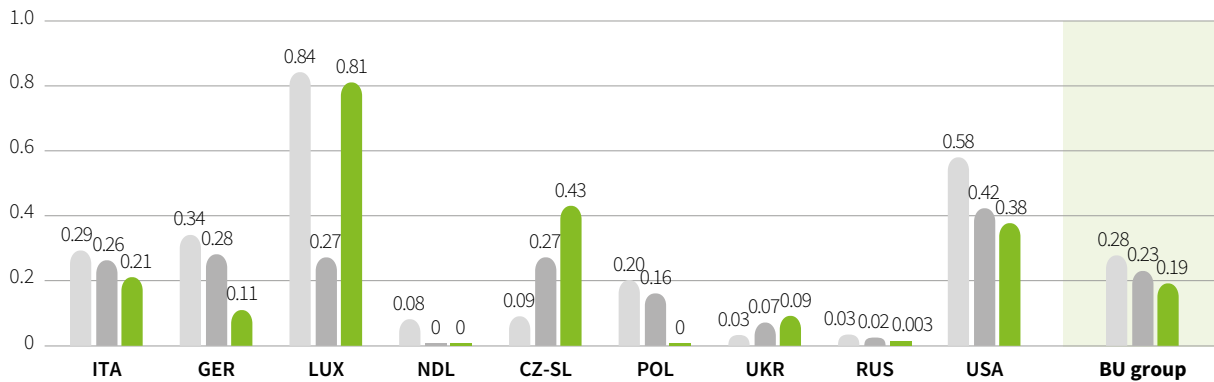
**LTI FR (Lost Time Injuries Frequency rate, only with absences from work)**



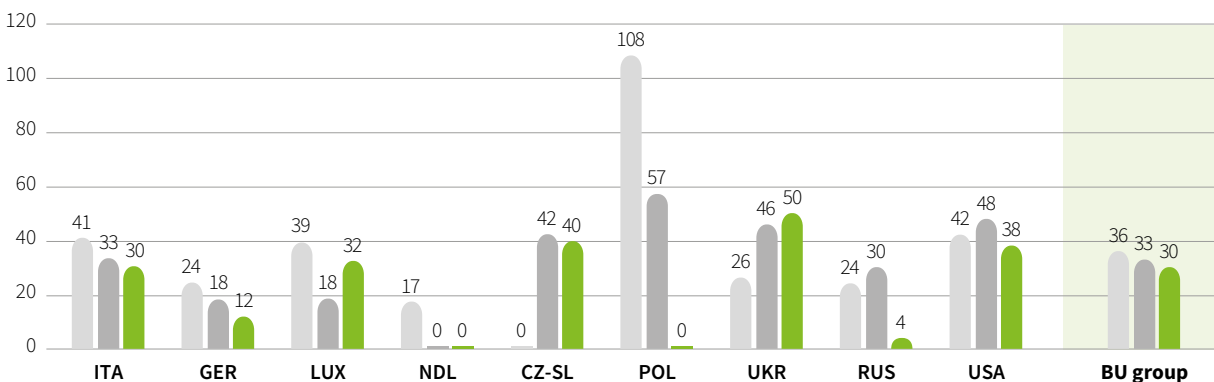
**TIFR (Total Injuries Frequency rate, with and without absences from work)**



**SR (Severity Rate)**



**TA (average injuries duration in days)**



Scope of the charts: employees and contractors, cement, concrete and aggregates.

● 2016 ● 2017 ● 2018



Photo: Elena Putintseva, Chemical Engineer, Sukholozhskcement, Russia



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