

GROUP TAX POLICY

TAX STRATEGY

First issue:

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Buzzi Unicem SpA

Registered office: Casale Monferrato (AL) - via Luigi Buzzi n. 6

Share capital: €123,636,658.80 fully paid up

Tax Code and Company Register of Alessandria no.: 00930290044

OBJECTIVES AND PRINCIPLES

In accordance with the principles of ethics, transparency and legality of the Code of Conduct adopted on 7 February 2019 and applicable to the Company and to all its Italian and foreign subsidiaries, the Board of Directors of Buzzi Unicem SpA formally defines the guidelines of Buzzi Unicem and its subsidiaries (group) Tax Strategy in order to ensure uniform tax management aimed at sharing and pursuing the following goals:

VALUES

- awareness that the economic contribution in terms of correct payment of taxes and duties in all the countries in which the group operates is a prerequisite for the development and welfare of the relevant economies.

LEGALITY

- consequent formal and substantial compliance of tax practices with the various applicable laws and timely fulfillment of the resulting financial obligations;
- careful definition of transfer prices and collaboration with the competent tax authorities by requesting, where possible, the implementation of mutual cooperation agreements between states, according to OECD rules.

TRANSPARENCY

- transparency of information towards all stakeholders and extensive disclosure of the most significant tax litigation positions in the dedicated section of the separate (statutory) and consolidated financial statements of Buzzi Unicem.

These goals are to be pursued in order to guarantee over time the main interest of creating value for shareholders and of safeguarding corporate assets, considering that taxes constitute a significant burden and that the incorrect monitoring of this cost exposes to risks of even more significant penalties.

tone AT THE TOP

The Board of Directors of Buzzi Unicem, in defining the Tax Strategy, guarantees its application within the group, also in order to promote the dissemination of a corporate culture inspired by the values of honesty, transparency and legality, by raising awareness of all staff regarding tax risks.

OPERATIONAL INTERPRETATION OF TAX STRATEGY PRINCIPLES

In order to implement the aforementioned principles and goals, the following guidelines are established:

GENERAL PRINCIPLES

The Tax Strategy is consistent with the Code of Conduct approved in 2019 and aimed at formally explaining the principles of honesty, transparency and legality on which the group management is based.

It defines the standards of conduct that must guide the conduct of all group employees and the possible application of sanctions in the event of non-compliance.

CORRECT APPLICATION OF TAX REGULATIONS

All group entities must comply with the tax legislation in force in the countries in which the group operates, observing its letter and spirit, in line with the purpose that the regulations intend to pursue. Any application uncertainties must be resolved with a reasonable interpretation, inspired by the principle of legality, seeking independent professional advice, if necessary, and the most appropriate forms of approach to the relevant tax authorities.

The group is committed to training executives and all employees involved in tax matters, appropriately encouraging virtuous behavior and sanctioning detected violations according to the "tone at the top" principle, i.e. "the example must come from the top, and the behavior of everyone must comply with it".

AGREE TO DISAGREE

The correct application of tax legislation does not exclude that, in order to protect the corporate interest and the one of its shareholders, it is legitimate and necessary to support, even in litigation, any reasonable interpretative opinions that differ from the guidelines expressed by the relevant tax authorities.

COOPERATION WITH THE TAX AUTHORITIES

The group pursues transparency and fairness in the relations with tax authorities, ensuring full cooperation during the inspection activities of the authorities in charge and providing complete and timely feedback to all requests received.

Intercompany transactions are regulated, for tax purposes, on the basis of the arm's length principle, as outlined by the OECD guidelines, and are illustrated in the specific documentation "*Transfer Pricing Documentation and Country-by-Country Reporting*" according to the three-tiered approach, consisting of preparing:

- a *Masterfile* containing standard information relevant to all entities of the multinational group;
- a Local File relating to transactions carried out by the "local" taxpayer;
- the so-called *Country-by-Country Report* containing information relating to the global allocation of the multinational group income (and of the consequent taxes paid) and to specific economic indicators (tangible assets, number of employees, staff costs, etc.) with reference to the various countries in which the group operates.

INCENTIVE PLANNING AND TAX BENEFITS

The group does not carry out national or cross-border transactions without valid business and economic reasons, or with the main purpose of obtaining a tax advantage, or as a pure artifice in order to counter the purposes of the relevant tax regulations.

Furthermore, it does not adopt management incentive schemes being parameterized to tax reduction targets that are inconsistent with the principles of this strategy.

TAX MANAGEMENT

To ensure the compliance of its activities with the relevant tax legislation, Buzzi Unicem endeavors to ensure that the departments assigned to manage taxation have adequate human, material and continuous training resources, as well as organizational relevance, such as to guarantee the correct performance and compliance.

The practices of the tax function (procedures and declarations) of all companies are subject to external audits at the level of the single entity and on an annual basis.

The most significant tax risks are included in the Group Enterprise Risk Management and are monitored every six months.

Buzzi Unicem and its subsidiaries have also adopted, since 2016, a whistleblowing policy to detect critical issues about unethical or illegal behavior in relation to all profiles of compliance with regulations or provisions, including the tax legislation.

ORGANIZATIONAL MODEL 231/2001 AND TAX RISK CONTROL SYSTEM

The Organization, Management and Control model adopted by Buzzi Unicem pursuant to Legislative Decree 231/2001 has also been extended to tax offenses included in the category of those that constitute a prerequisite for the application of the aforementioned discipline.

ADOPTION, TRANSPOSITION, PUBLICATION, VALIDITY AND UPDATE

The group tax strategy is defined by Buzzi Unicem, as the parent company, and is approved by the related Board of Directors.

Each individual entity will implement the above mentioned tax strategy, ensuring its knowledge and application as far as it is concerned and promoting the dissemination of the underlying values at all company levels. In consideration of the complex organizational structure, Buzzi Unicem will identify, for each company, the methods and timing of effective implementation.

The Tax Strategy enters into force on the first day following the date of the approval resolution and is published on Buzzi Unicem corporate website. Its interpretation for a correct application also to the subsidiaries is responsibility of Buzzi Unicem, through the related tax function which also verifies the possible need for its updating on an annual basis.