

A full-page background image of a lush green forest. Sunlight filters through the dense canopy of trees, creating a bright sunburst effect in the center-right area. The ground is covered in fallen leaves and forest floor debris.

# Sustainability 2022

[www.lhoist.com](http://www.lhoist.com)





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# TOGETHER, THE FUTURE



**Marcos França**, CEO Lhoist Group (left), **Jean-Pierre Berghmans**, Chairman Lhoist Group (right)

At Lhoist, as a family business passed down for six generations, sustainability is in our DNA. The next generations deserve the best chance to thrive—and to achieve that for them, we need ambition and commitment.

Great things happen when we pull together. That's why, from entry-level employee to senior executive, we are devoted to driving change and reaching our ambitious sustainability goals.

We won't get there without strategy, experience, and diversity. Our roadmap has been defined by a team of experts, with a focus on decarbonization, innovation, and value for society. Circular economy initiatives, responsible supply chain management, low-carbon and renewable fuels, valorizing and preserving resources and biodiversity—it all helps us drive change and act responsibly while maintaining profitability.

As a company, we must be accountable for our impact on the planet. KPIs on emission mitigation and reducing our carbon footprint allow us to track progress toward our goals. They ensure our impact is at the forefront of our activities.

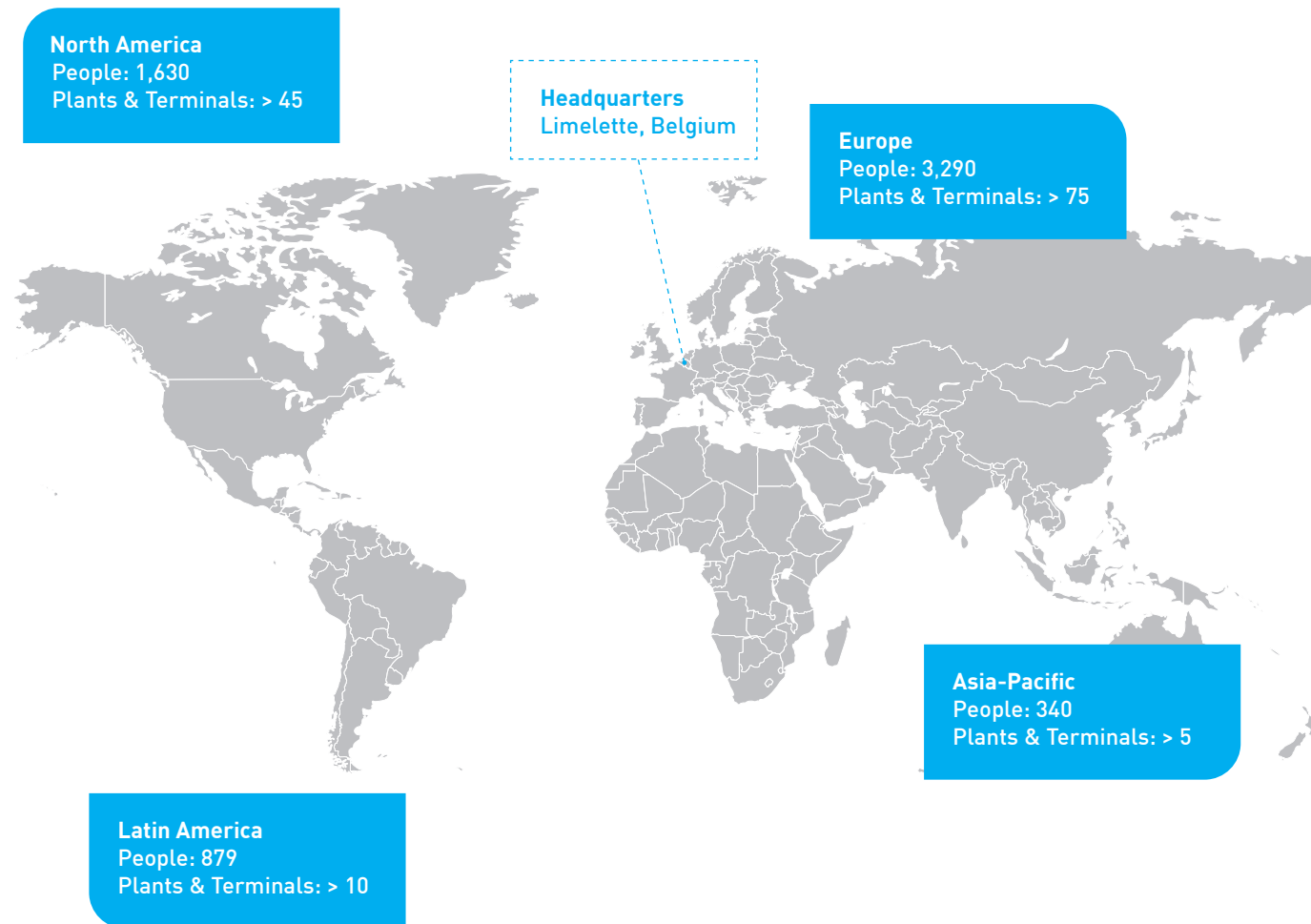
Sustainability also extends to the health, safety, and well-being of our employees and communities. We want to build an environment with a "Go for Zero" safety philosophy, create long-term relationships, and provide development opportunities for all our people. After all, the future of our business depends on the long-term health of our society.

As an industry leader, our activity is essential for many sectors, like water treatment, agriculture, steel and construction. Our actions, based on our sustainability goals at their core, can play a critical role in improving the world by bringing purity and efficiency to a variety of applications.

We are committed to sustainability as individuals and as a company. We cannot do it alone and we are hugely grateful for the forward thinking of our stakeholders and partners. Thank you for helping us on this journey.

**Marcos França**  
CEO Lhoist Group

**Baron Berghmans**  
Chairman Lhoist Group



## OUR GROUP

Lhoist Group is a family-owned company. Since 1889, we have been producing and supplying lime, limestone, and mineral solutions for an ever-growing range of applications and sectors.

Our products are essential. They play a critical role in improving the world and actively contribute to air and water quality, transport, agriculture, construction, and more. Our company, with roots and headquarters in Belgium, is now present in more than 25 countries, with facilities in Europe, North America, Latin America, and Asia-Pacific. By working with our partners, we drive meaningful change to create a more sustainable future for all.

## VALUES

### We stand by our values: Respect, Integrity, and Courage

Our values have always been at the heart of our company's culture. They are the foundation of everything we do. Staying true to our values has enabled us to become and remain a leader in our industry.

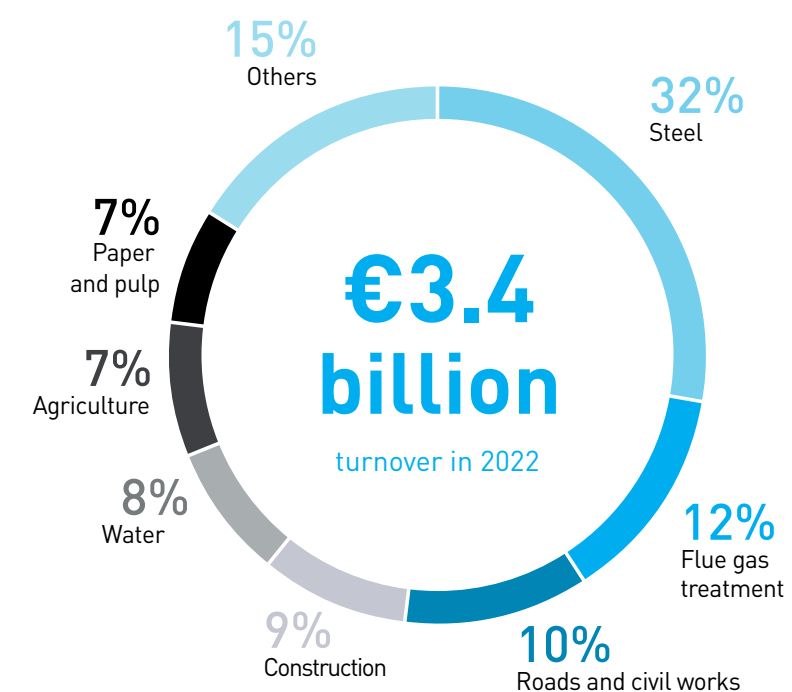
**Respect:** Being transparent and open, listening and accepting differences, dealing fairly with everyone, and honoring our commitments.

**Integrity:** Walking the talk, putting the company's and our customers' interests first, being authentic in all we do, demonstrating loyalty, and acting ethically.

**Courage:** Being a pioneer, voicing opinions, raising the bar, and challenging each other to grow.

We are committed to growth for everyone who supports us. Our global workforce, which reflects the societies we operate in, is crucial for creating an open, unified company. Our people matter and so do our suppliers, customers, and the communities around us.

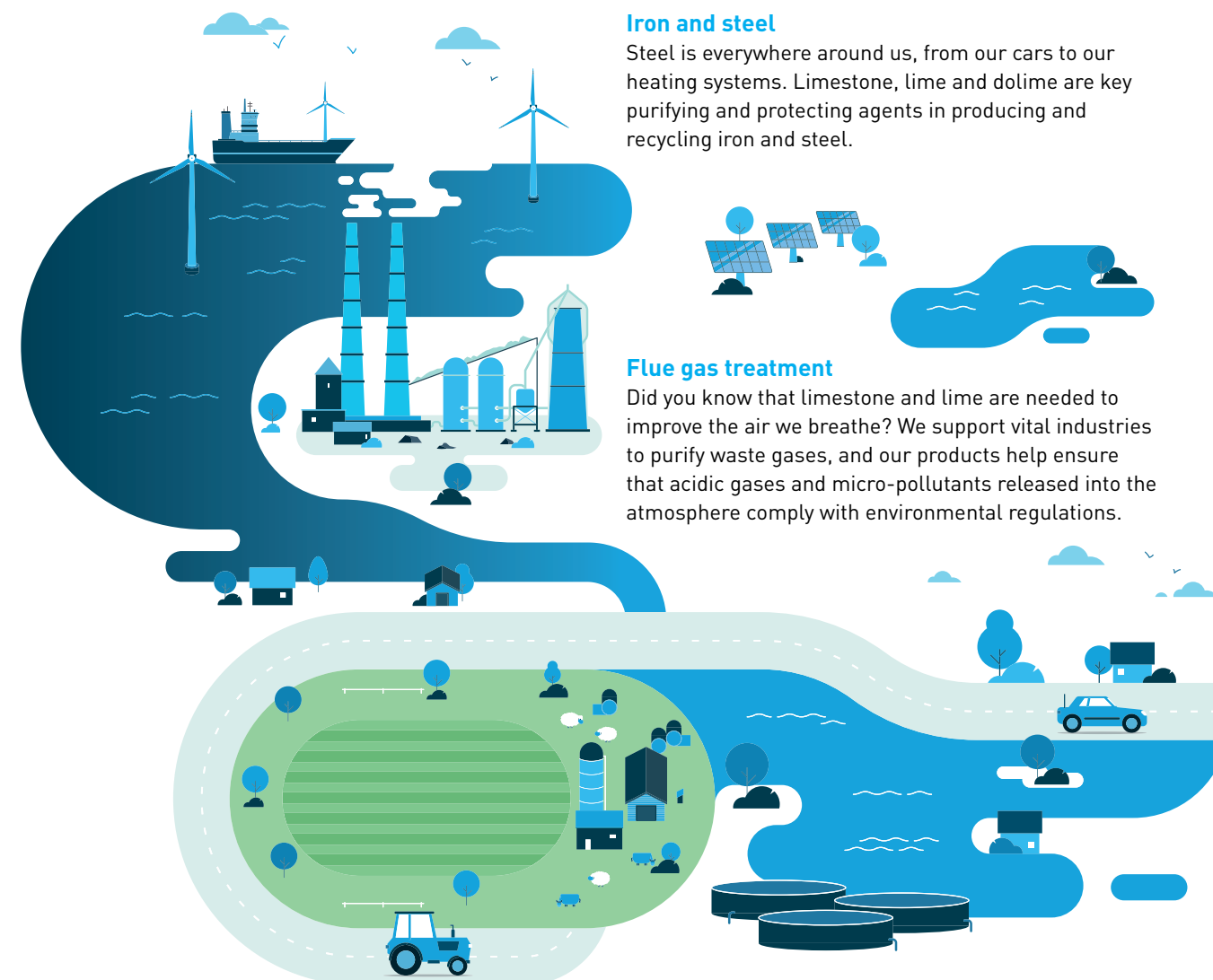
To guide our employees in the right decisions each day, our Code of Conduct outlines fundamental ethical and business principles. We have also formalized internal rules in our Anti-Corruption Policy. This contains guidelines, standards, and procedures to help each Lhoist employee and our business partners to comply with anti-corruption laws. We train every employee on these guidelines, ensuring current and new colleagues understand what we expect of them.





# WE ARE ESSENTIAL

You will find our lime and mineral-based products and solutions in a variety of often surprising applications, where they actively improve our society and planet. By offering purity and efficiency, our unique solutions create value in a range of traditional and emerging processes. They contribute to air quality, water quality, transport, agriculture, construction, and more.



## Iron and steel

Steel is everywhere around us, from our cars to our heating systems. Limestone, lime and dolime are key purifying and protecting agents in producing and recycling iron and steel.

## Flue gas treatment

Did you know that limestone and lime are needed to improve the air we breathe? We support vital industries to purify waste gases, and our products help ensure that acidic gases and micro-pollutants released into the atmosphere comply with environmental regulations.

## Agriculture

Farmers, too, rely on lime and minerals to balance the pH of soil, maximize fertilizer efficiency, and improve their crops—our food—with calcium and magnesium. Our specialized products also protect against heat stress and crop disease in organic agriculture.

## Water treatment

Not only food but water requires lime. Our drinking water, wastewater, and industrial waters are treated with lime, for purification and to adjust pH levels. Sewage plants use lime to treat sludge and recycle it into a safe fertilizer.

## Non-ferrous metals production

Society's greater reliance on renewable energy, electronics, and new technologies calls for non-ferrous metals such as copper, lithium, aluminum, and gold. Lime is essential in the refining and flotation of mined non-ferrous metal ores.

## Animal feed, health, and welfare

Calcium and magnesium from limestone and dolomite are essential for eggshell quality in laying chickens. They promote healthy bones, teeth, muscles, and enzymes in livestock such as cows. Lime is an important disinfecting agent and is used in aquaculture as a calcium source and for pH control.

## Building

We could not build without lime and mineral-based products. Concrete, mineral insulation, sand lime bricks, aerated concrete, steel, porcelain tiles, and roofing are all key materials in sustainable, energy-efficient, and safe construction.

## Glass

Windows, solar panels, and even the fibers needed for high-speed internet are just a few examples of the glass that is all around us. Much of it is produced using our high-purity products. Limestone, dolomite, lime, dolomitic lime, and kaolin clay contribute to robust, high-quality glass.

## Roads and civil works

What about roads? Lime is an important addition to asphalt, improving durability and safety while reducing maintenance. It strengthens soil for stable embankments and is used for foundations of roads, dikes, railways, and buildings. It limits waste and the use of aggregates, preserving resources.

## Paper

Paper bags, plates, and straws are all recyclable alternatives to single-use plastic—and lime contributes to producing them more efficiently. Precipitated calcium carbonate (PCC) optimizes the use of wood fiber, contributing to whiter, more sustainable paper. It also sequesters CO<sub>2</sub> in the process.

## Food

Lime and limestone purify the sweetness (sugar) and sourness (citric or lactic acid) of our food, as well as helping protect fruit from rotting during storage and transport by lowering CO<sub>2</sub> levels in the air.

# TOGETHER, THE FUTURE

As a family business spanning six generations, we have always embraced sustainability. Long-term thinking is embedded in our culture. To adapt to a changing world, over the past three years, we have developed a more coordinated, structured, and bottom-up approach to sustainability.

We are putting in place even more ambitious goals, with meaningful local initiatives on a global level. Our dedicated Sustainability team is working on our three pillars, with 15 teams focused on 15 goals. These cover all aspects of our operations, as we seek to actively contribute to positive change.

As part of these actions, we are developing our KPIs so we can attain milestones that align with our ambitions. Each of our 15 teams is led by expert ambassadors who are defining the Group's 2030 vision and roadmap with ambitious yet reachable targets that will create a genuine impact.

From a legislative point of view, we are confident that we will comply with future regulations, such as the EU's Green Deal Taxonomy, as we develop and improve our certifications.

Sustainability is a continuous challenge and we want to thank everyone who is working hard to make it such an integral part of our business, our daily operations, and our profitable future. We are proud to be sharing this journey with you.

## INTERVIEW VALENTINE BERGHMANS

Chief Sustainability Officer – Lhoist Group

As a family company in a capital-intensive industry, Lhoist is conscious of what resource preservation and a long-term view are about. To that extent, sustainability has always been part of our culture. Our various initiatives across the group's geographies are devised and driven locally. We want all these to be cross-fertilized, leveled up, and communicated.

That is why, a year ago, Lhoist started to work more intensively on its sustainability vision and ambitions for 2030, as well as on the roadmap to get there. We have translated these into a series of sustainability KPIs in areas that are important to the company, its people, and its partners. We adopt a focused approach that will allow us to carefully follow and precisely assess our sustainability performance, then clearly communicate our progress.

We do all this while staying true to our core values. Deep expertise in what we do allows us to set pragmatic yet ambitious targets, be it in carbon reduction, community engagement, or diversity. We take this very seriously, as shown by the 2022 sustainability KPIs, which count for 20% of our employees' variable compensation.

Clearly, decarbonization is our biggest challenge. We will invest heavily to reduce our CO<sub>2</sub> footprint in the coming years. On this front, I am proud to see our company leading the way with two projects selected by the EU's Innovation Fund: CO<sub>2</sub>ncrEAT and CalCC\*.

Although the mountain is steep, Lhoist has established a robust basecamp for its sustainability journey. Getting there will require commitment and an innovative spirit. As Chief Sustainability Officer, I am pleased to see such strong support from all levels of the organization, from the board to our executive committee and all our employees. Indeed, the impetus comes from the top of our organization, but it is our bottom-up approach that will make it successful.

\* Read more about these projects on P 20 and 21



“  
Having  
an impact  
through  
sustainable  
actions is  
accessible to  
all, we each  
have a role  
to play.

”





## INTERVIEW CEDRIC DE VICQ

CEO Lhoist Europe

### How important is sustainability in your work?

Sustainability has always been at the forefront of Lhoist, but now it is existential. It relates to all dimensions of our business, from adopting innovative technologies and processes to new partnerships and people management.

### What is the impact on your operating model?

Energy sourcing, transport infrastructure, environmental regulations, and the evolution of carbon prices in the EU emissions trading scheme impact all our decisions. For example, the most promising CO<sub>2</sub> capture technology we are working on today will increase electricity consumption by a factor of 8 to 10.

Our industry is entering an era of profound transformation. To remain at the forefront, we have significantly increased our expertise and set up specialized teams. In addition to long-standing geological, stone processing, and kiln optimization skills, we will develop expertise to manage and valorize what comes from our stacks. And we will do this with an increasingly diverse team. I am glad to see the number of female leaders doubling every two years since 2015.

### How does Lhoist create positive change in society?

Life as we know it would not be possible without lime. Our products are essential for water treatment, flue gas treatment, and steel production. Lime and dolime are also part of the applications of the future such as electric mobility, insulating building products, and biodegradable plastics.

Because over time they reabsorb part of the CO<sub>2</sub> emitted during their making, our products are also increasingly used in CO<sub>2</sub> reduction processes. However, this does not release us from our responsibility as a carbon-intensive company.

### Who are your stakeholders on the road to sustainability?

Clients, suppliers, and our own people will be instrumental. But our efforts will only bear fruit with the commitment of other key stakeholders. They include governments, public or semi-public entities, and an ecosystem of energy, infrastructure, and technology partners. Lhoist has embarked on an exciting journey that we want to do together.

### How does Lhoist's vision align with its commitment to a better future?

The complexity of the sustainability transformation will require time and investment. I am confident we can succeed with the support of committed, stable shareholders. The family shareholding has always had a cross-generational vision.



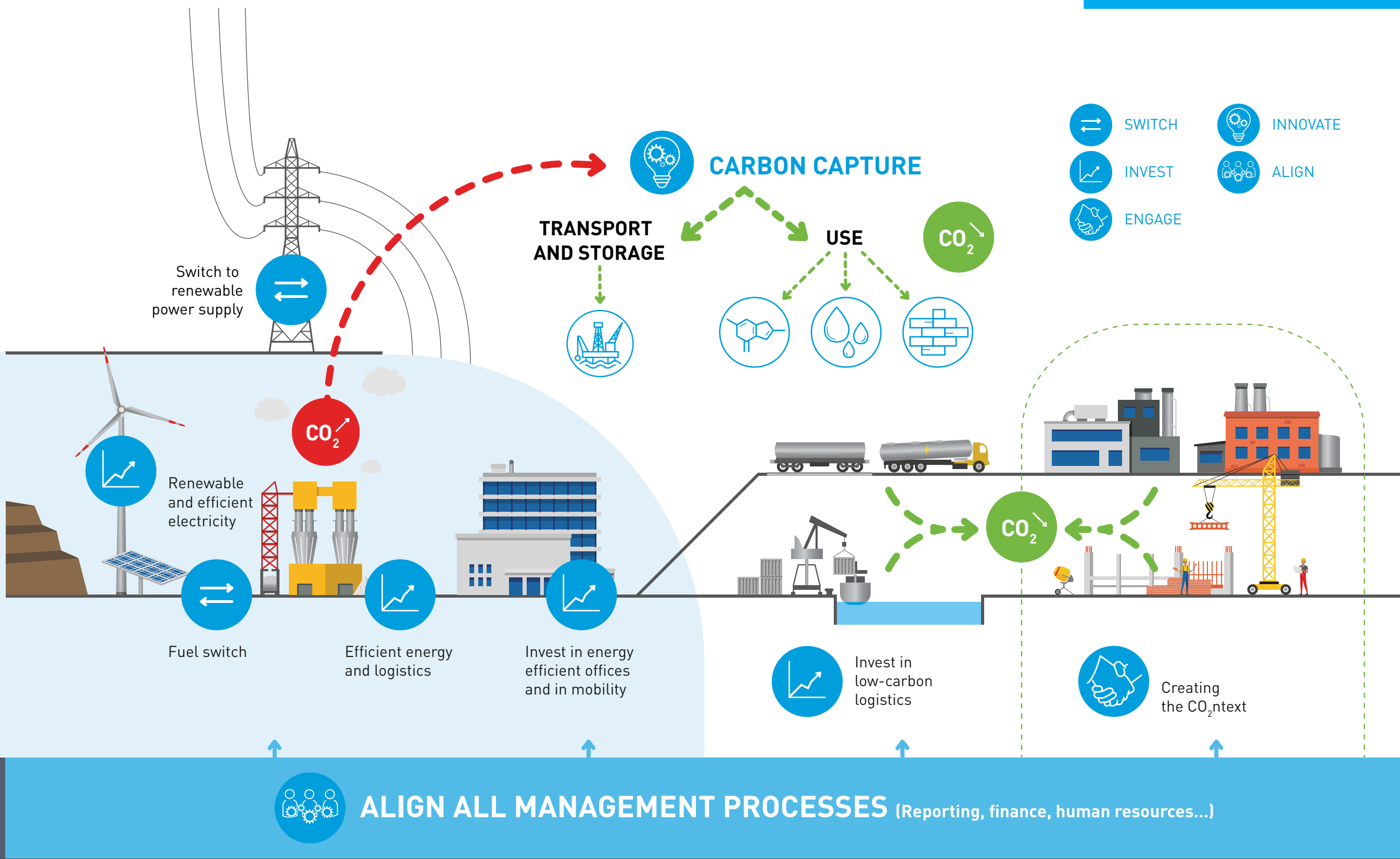
“  
I am confident  
we can  
succeed  
with the  
support of  
committed,  
stable  
shareholders.”

”

OBJECTIVE

Reducing carbon emissions from fuel combustion by 50% by 2030, compared to 2018

CARBON ROADMAP





## INTERVIEW PHILIPP NIEMANN

CEO Lhoist North America

### How did Lhoist start its sustainability programme?

We started our sustainability journey in 2016 with a handful of people who were passionate about it. I was in Germany at the time and asked to lead that group initiative. We first had to define what sustainability means to Lhoist. Three primary areas of focus came out of this effort: People, Planet, and Profit. We must work on these dimensions collectively to be truly sustainable for the long term.

### What would you say is the main driver for your sustainability initiatives at Lhoist?

Firstly, I would say our customers. We want to be a long-term partner in order to fulfill their sustainability needs, and both partners need to be profitable to make this transformation happen. We need to perform while we transform because sustainability is a journey that takes time and perseverance. That is why I insist on the balance between performance and transformation.

Additionally, our shareholders. Sustainability is part of our DNA. As a family company that has been in business for more than 130 years, we think in terms of generations and not in terms of quarterly reports.

Equally, another main driver for our sustainability initiatives is our people.

We know that sustainability matters to all of us. Whenever I talk to our employees, many of the conversations are about sustainability, and we can see that they want to be involved in this journey. For this reason, they are an important part of shaping our sustainability roadmap moving forward. To accelerate this change, all our employees need to be creative, innovative, and impactful.

### And in your region?

When looking more precisely at the US, customers are increasingly asking us about sustainability and thus they are a major driver in our efforts. In the US, we are working on our decarbonization strategy to avoid, reduce and ultimately capture and sequester or use CO<sub>2</sub>.

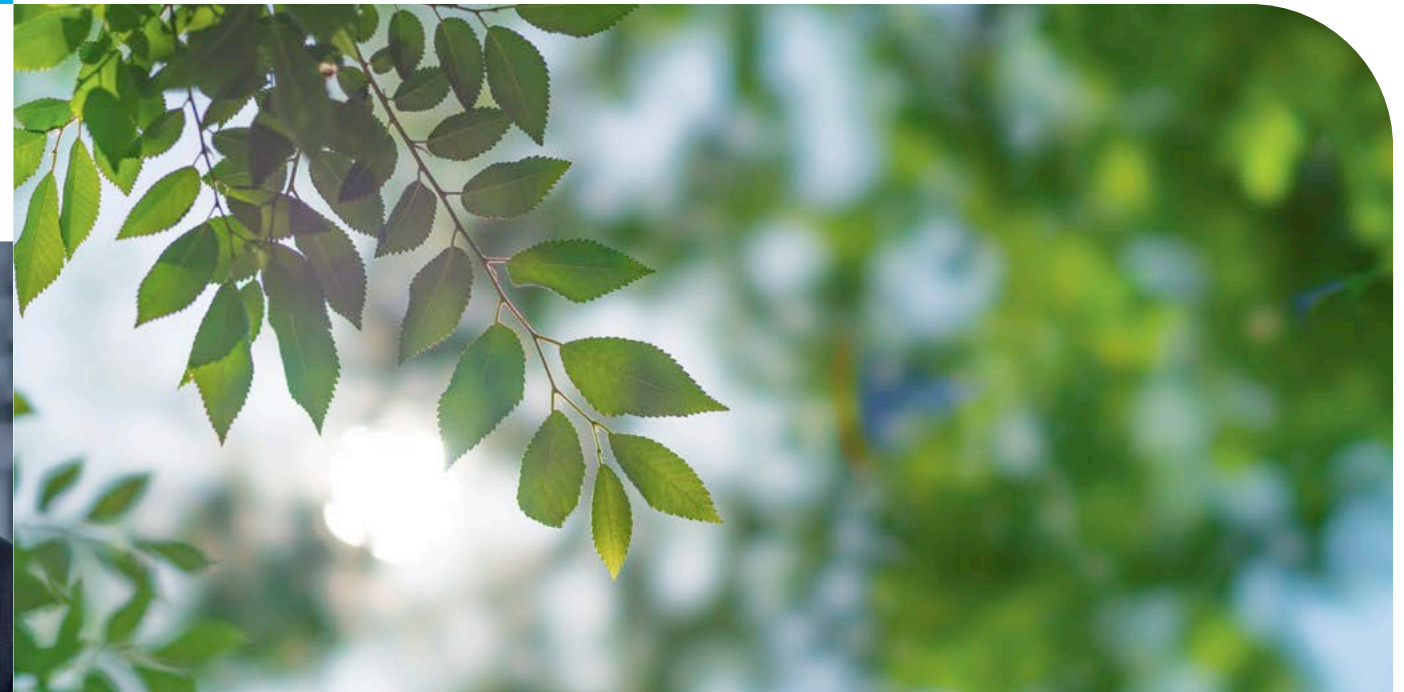
These initiatives include advanced technologies, energy efficiency, substitution of high CO<sub>2</sub> fuels to alternative fuels such as biomass, and the use of renewable electricity. As already indicated, we are also looking at carbon capture, storage, and utilization technologies where CO<sub>2</sub> emissions cannot be avoided.

### How do you see the future of the lime business?

Lime and limestone products are an essential part of many value chains and will also be needed in the long run. We need to provide superior customer value today to shape the transformation of our company. Both aspects are key for us - using all our employees' skills, innovation, and passion will get us there and will ensure that we will be a trusted partner for our customers today, tomorrow, and any day in the future.



“  
We need  
to perform  
while we  
transform.  
”



## GREEN PORTFOLIO

Collectively, we believe industrial ecosystems can achieve a sustainable global economy. As part of that journey, our LEVEL|BLUE™ and LEVEL|GREEN™ products help customers reduce their own carbon footprints and reach their climate goals.

LEVEL|BLUE™ is our offering of carbon-neutral products which operates on three pillars:

**Avoiding** – Using (for example) carbon-free energies or more efficient products (e.g., Sorbacal® SP).

**Reducing** – Through optimization of our assets and the use of alternative fuels.

**Offsetting** – The remaining emissions which cannot be avoided or reduced today are offset by investing in certified climate protection projects. This certification aligns with the internationally recognized Greenhouse Gas Protocol and can be included in customers' carbon footprint calculation.

In 2023, we are shifting our focus to LEVEL|GREEN™. Once we have the necessary carbon capture, utilization, and storage (CCUS) technologies in place, we can supply LEVEL|GREEN™.

# THE LIME CYCLE

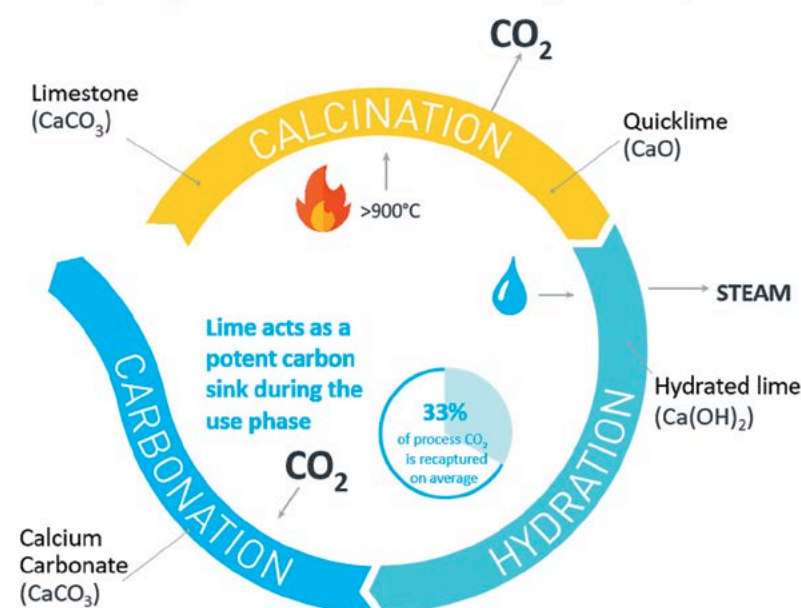
## Process CO<sub>2</sub> and combustion emissions

To paint a clear picture of our efforts to reduce our carbon footprint, first we need to understand its components.

In any operation that processes limestone into lime, there is an important distinction between CO<sub>2</sub> emissions that come from fuel combustion and “process CO<sub>2</sub>”. Burning fuel to generate heat for the calcination process produces combustion emissions. We can cut these emissions by switching to more efficient installations and using cleaner fuels or electricity.

Process CO<sub>2</sub> is the result of the chemical process that occurs when limestone (CaCO<sub>3</sub>) is heated and turns into lime (CaO) by releasing a CO<sub>2</sub> molecule. As “process CO<sub>2</sub>” is an inherent part of producing lime, we cannot avoid these emissions. However, we can capture and store them, and even put them to good use.

## LIME AS A CARBON SINK



## INTERVIEW DR ANDREAS BODE

Vice-President CO<sub>2</sub> and Process Innovation – Lhoist Group

### What is your role at Lhoist?

My task is to implement technology competence, initiate projects that reduce CO<sub>2</sub> emissions across the Group, and strive for carbon neutrality in lime production. I lead a diverse corporate team dedicated to process innovation. We have experts in project development, process engineering of gases and liquids, and carbon capture technologies.

We focus on carbon capture, use, transport, and storage. We identify, assess, demonstrate, and support the rollout of these technologies for lime production. We also establish partnerships with public authorities and funding agencies in these fields. I really feel the Lhoist culture at work here, with an openness to fast learning, improvement, and adaptation.

### Where does your experience in CO<sub>2</sub> reduction come from?

I was finishing school in the 1990s when I first read about ozone depletion in the atmosphere and climate change due to CO<sub>2</sub> emissions. I decided to study mechanical engineering with a focus on energy and chemical processes to design environmentally friendly industrial processes. My career has been at the intersection of technology and business. I previously led industrial transformation projects in the chemical sector relating to energy efficiency, alternative fuel production, and CO<sub>2</sub> reduction.

### Why did you join Lhoist?

When Lhoist launched the world's first carbon-neutral product line, LEVEL|BLUE™, it was a step toward a LEVEL|GREEN™ product line, which would be carbon-neutral without offsetting. This bold ambition appealed to me. It has now materialized in projects including CalCC and CO<sub>2</sub>ncrEAT\*. I'm proud of this as it puts us in the Champions League of carbon reduction projects.

### How is CO<sub>2</sub> awareness in the industry?

Generally, the challenge was still “esoteric” only 10 years ago; awareness has really emerged in the last five or six years. Today, everyone admits that industrial transformation is necessary to protect our planet. Lime production gets attention because our processes are carbon-intensive. Our sector is responsible for about 1% of global emissions. By reducing them towards zero, we will hugely contribute to decarbonizing entire production lines and the whole economy.

\* Read more about these projects on P 20 and 21



“ I am proud of our projects. I look forward to working on their implementation. ”



# CalCC & CO<sub>2</sub>ncrEAT

## Decarbonization with CalCC

In 2022, as part of our decarbonization ambitions, we signed a memorandum of understanding with Air Liquide with the goal of decarbonizing the Lhoist lime production plant in Réty, France. Our aim is to avoid around 600,000 tons of CO<sub>2</sub> emissions a year from 2028, equivalent to the annual emissions of 55,000 households in France.

In this context, Lhoist and Air Liquide have jointly applied for the European Innovation Fund Large Scale support scheme. In January 2023, Lhoist signed a grant agreement with the European Climate Infrastructure and Environment Executive Agency for our CalCC project at the Financing Innovative Clean Tech Conference in Brussels.

The captured CO<sub>2</sub> would be concentrated, purified, and compressed using a cryogenic process, then transported to a CO<sub>2</sub> liquefaction, temporary storage, and export platform under development in Dunkirk. It would then be shipped for permanent geological storage in the North Sea.

We are very proud that, for the first time on an industrial scale, a lime plant would be able to capture its CO<sub>2</sub>.



I have been particularly thrilled to contribute to this exciting adventure to develop the CalCC project. Participating in this journey to develop the worldwide first low-carbon lime plant on an industrial scale is both inspiring and challenging.

**Nicolas Perrin**  
CO<sub>2</sub> Application Director – Lhoist Group



The project perfectly aligns with our ambition to actively develop CO<sub>2</sub> capture and sequestration technologies that are essential to the sustainability of our industry. We look forward to working with our partners to take CO<sub>2</sub>ncrEAT to the next level.

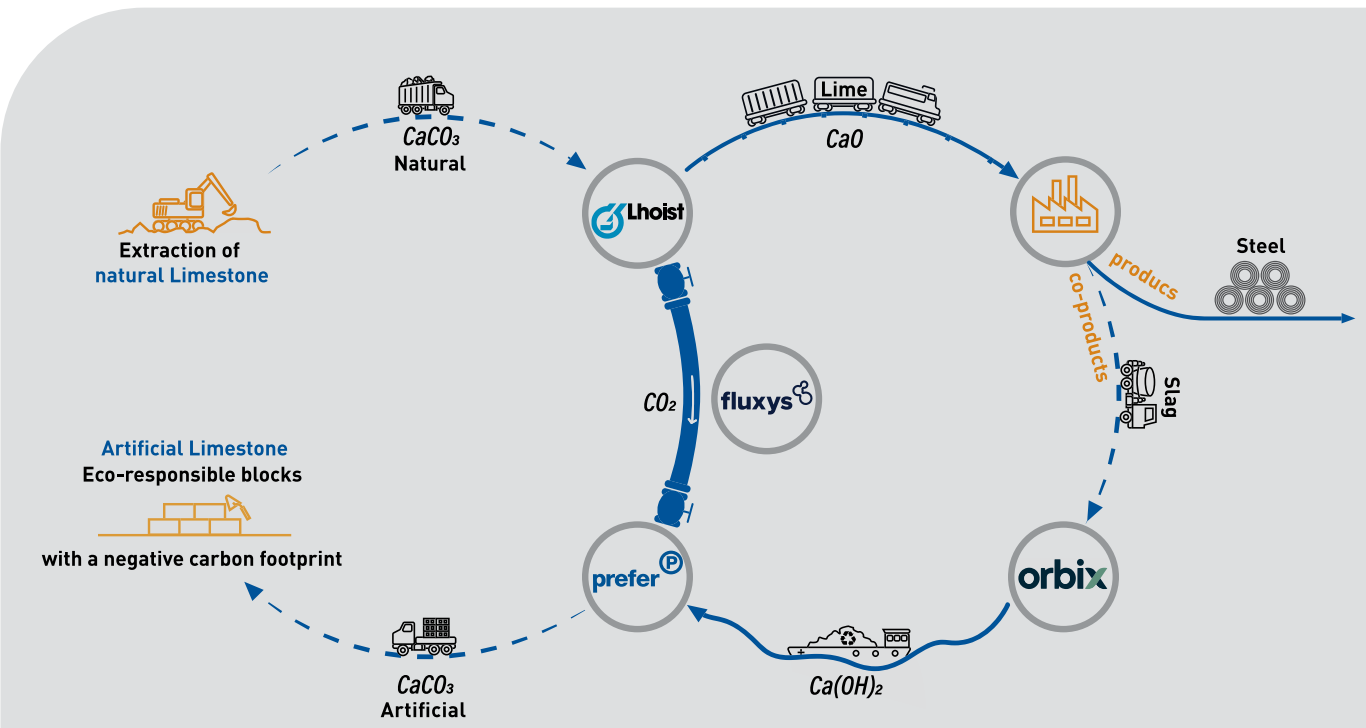
**Vincent Deleers**  
Managing Director – Lhoist Western Europe

## CO<sub>2</sub>ncrEAT project cuts emissions through circularity

Lhoist is joining forces with Prefer, Orbix, and Fluxys to decarbonize the Belgian industry and offer sustainable solutions to the construction sector. The CO<sub>2</sub>ncrEAT project is supported by the European Union through an Innovation Fund grant of €4.5 million.

Reducing CO<sub>2</sub> emissions is the key objective of this project and is made possible thanks to the carbonation technology developed by Orbix, which mixes by-products of the steel industry with CO<sub>2</sub>. Every year, nearly 12,000 tons of CO<sub>2</sub> will be captured, transported, and reused instead of being emitted. Using CO<sub>2</sub> and recycled materials leads to a further reduction of 8,000 tons of CO<sub>2</sub> emissions a year.

CO<sub>2</sub>ncrEAT will result in the production of innovative and sustainable building blocks, to be widely used in the construction sector. It shows our commitment to innovation and the sustainability of our global operations.





# OUR 3 PILLARS

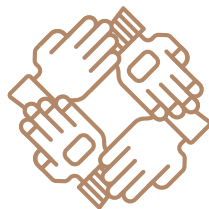


## PLANET

**“Together, we responsibly optimize resources and energy for the generations to come, using less, for longer, and smarter.”**

The Planet pillar has teams focused on carbon capture, energy, resource valorization and biodiversity. We know our operations have an impact on the world around us. That is something we want to mitigate and minimize wherever possible.

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Biodiversity	p 30



## PEOPLE

**“Together, we are dedicated to the well-being and development of our people and the communities in which we operate.”**

Under the People pillar, our teams work on safety, communities, training, inclusion, and health and well-being. We’re committed to being good neighbors and providing the best possible working environment and development opportunities for our colleagues, now and in the future.

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## PROFIT

**“Together, we strengthen our business for the prosperous future of our company and our customers.”**

Under our Profit pillar, we want to create responsible business practices that ensure the company continues to thrive. Supply chains and the circular economy are central to achieving this.

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# PLANET

## INTERVIEW CHRISTIAN DECONINCK

Planet Pillar Leader

Director of Production Operations – Lhoist Western Europe

The question of decarbonization is not new at Lhoist – but it is now at the top of the agenda. We started replacing fossil fuels with alternative sources, including biomass, 15 years ago. Today, cutting CO<sub>2</sub> is one of the main drivers in how we think and act.

Our monthly business review features several sustainability charts, including CO<sub>2</sub> tracking. Carbon footprint is one of the first parameters we look at when developing a project, and everyone involved in running our kilns has CO<sub>2</sub> metrics in mind. Building awareness and knowledge requires significant data collection and modeling, underpinned by cooperation across our divisions.

We are also aware of our responsibility toward biodiversity in our quarries. We have learned how to plan our mining activities in a way that protects – and sometimes even enhances – biotopes. It has become a key motivator for our teams in the field. We have also engaged in systematic reflection on how to valorize what we extract and generate through our activity.

Like the world around us, our industry is changing fast. Technologies will have evolved radically 10 years from now, and so will our processes. Making the right technological assessments and building the best organizational structure to embrace new solutions is vital.

All this makes sustainability an exciting challenge. It combines technical aspects, the energy of stakeholders in and outside the group, and a vision of our role in the community.

Ignoring sustainability would appear possible in the very short term, but we would later lose our technological lead and license to operate. Moreover, it is not in line with our core values. The challenge ahead is a chance to reaffirm our market leadership. Lhoist will show the way.



“  
Making  
the right  
assessments  
and building  
the best  
structure  
to embrace  
new solutions  
is vital.

”





# EMISSIONS

**Lhoist is committed to reducing carbon emissions from fuel combustion by 50% by 2030, compared to 2018, to improve the impact down the value chain.**

**We are aware of our responsibility to minimize our footprint from the energy required to decompose limestone in high-temperature kilns.**

**Wherever possible, we use renewable fuels and transition to biomass, and invest in our plants to allow for fuel flexibility. We already dedicate substantial resources to implement our carbon reduction roadmap. We will continue to cut our footprint and invest in reduction innovations.**

Read more on p 20 and 21

OUR ACHIEVEMENT  
IN 2022

5%

reduction of combustion  
CO<sub>2</sub> emissions per burnt ton  
(vs 2018) – Reached since Q4

Invest in a carbon capture,  
utilization, and storage project  
Reached in all quarters

OUR GOAL  
FOR 2023

10%

reduction of combustion  
CO<sub>2</sub> emissions per burnt ton  
(vs 2018)

## Biomass Iberia

Iberia has launched an ambitious program to switch from fossil fuels to low-carbon emission fuels. In 2018, biomass represented 4% of the region's fuel mix. In 2020 it was 12%, and by the end of 2023 we expect it to be 27%. Next year, we aim to achieve 68% in Spain and 27% in Portugal, representing close to 50% of our fuel mix in Iberia. Our ambition is 85% biomass by the end of the decade. This remarkable evolution is due to a company-wide effort and regional investment of €3 million, reflecting our commitment to sustainability.

To meet the UN's SDGs (Sustainable Development Goals), Lhoist Latin America has been introducing new technologies for biomass combustion in its calcination kilns. In 2022, we commissioned a new line for grinding and injecting new types of biomass in one of our parallel flow regenerative kilns.

This is a milestone for the creation of our 2030 Roadmap. We are aware it is a challenging path, but the entire team is motivated to pursue this goal, reduce emissions, and combat climate change.

## Savio Torres

Vice-President Industrial – Lhoist Latin America



We have made significant progress in creating flexibility with the fuels used in our kilns across North America. These efforts have focused on maximizing the use of lower-carbon fuels to replace traditional high-carbon fuels. This shift is helping us make great strides towards reducing our footprint.

## Mark Stoerker

Manufacturing Excellence Director – Lhoist North America



A priority in our sustainability strategy is buying or generating electricity exclusively from renewable sources. As simple as the goal sounds, implementing it is complex. Guarantees of Origin for green power, Power Purchasing Agreements for solar and wind parks, and photovoltaic and wind power plants on our sites are milestones in this transformation. We are working hard to achieve maximum renewable energy in our electricity supply.

## Alexander Zirzow

Senior Manager IMS, H&S and Quality – Lhoist Germany

OUR ACHIEVEMENT  
IN 2022

2.5%

share of renewable electricity  
produced by Lhoist, purchased  
through Power Purchase  
Agreements (PPA) with  
Guarantees of Origin (GoO),  
or with Renewable Electricity  
Certificates (RFCs)  
Reached in all quarters

OUR GOAL  
FOR 2023

25%

share of renewable  
electricity

# ENERGY

**Sustainability and an energy-conscious approach do not happen by accident. They are the result of a sustained and enduring strategy. As a group, we surround ourselves with people whose ethos and commitment match our own, who innovate with renewable energy projects such as photovoltaic, hydro, or wind.**

**The field of alternative energy is moving swiftly. We want to remain at the cutting edge of this technology to ensure we grab opportunities to cut our carbon emissions. That is why we are increasing production of self-generated, sustainable electricity and buying green electricity with robust Guarantee of Origin certificates.**

## Blockchain-certified green electricity

We have signed a renewable energy contract for 8.4 MW with ENGIE, to be generated by wind farms off the coast of Belgium. Supplementing the Guarantee of Origin system, our green electricity consumption will be certified using blockchain technology. The agreement will deliver

as much green electricity over a year as a 30-hectare photovoltaic facility. Depending on weather conditions, it will cover up to 50% of Lhoist's consumption in Belgium.

## Guarantees for green energy

Lhoist Germany started transforming to a 100% renewable electricity supply in 2020. It now buys 100% of its electricity with Guarantees of Origin. As a result, we have reduced indirect CO<sub>2</sub> emissions by more than 200,000 tonnes a year.

Lhoist and TotalEnergies signed long-term purchase agreements for renewable energy from photovoltaic installations to be developed at three Lhoist sites in Spain and Portugal. The partnership follows the first exclusive agreement signed in 2020 to develop PV plants at several Lhoist sites in France.

This will enable us to reduce our products' carbon intensity and improve our commercial partners' energy balance.



# RESOURCE VALORIZATION



**High-quality limestone and dolomitic stone are rare natural resources. We manage them sensitively and valorize them with care and efficiency, striving for zero-waste processing.**

**We operate all our quarries under detailed long-term plans so we can manage the environmental impact and serve our customers in a sustainable way.**

## **New kilns in the US**

Lhoist has invested in one new parallel flow regenerative kiln in Montevallo and two kilns in Texas. This new technology contributes to the reduction of the lime processing waste. As well as business optimization, this reduces the amount of unvalorized kiln dust as a by-product (2% of production typically) compared to long rotary kilns.

OUR ACHIEVEMENT  
IN 2022

>65%

active sites with an  
advanced long-term  
mine plan  
Reached in all quarters

OUR GOAL  
FOR 2023

<2.9%

lime and dolime processing  
waste ratio [%]

## **Shift to optimized technology in Hermalle, Belgium**

At our site in Hermalle, we have transferred production from long rotary kilns to rotary kilns with shaft pre-heater and parallel flow regenerative kilns. This leads to a smaller CO<sub>2</sub> footprint and a substantial reduction of lime processing waste.

Adjusting this process allows us to optimize stone use and preserve high-grade deposit reserves while meeting customer demand in relation to volume and quality.

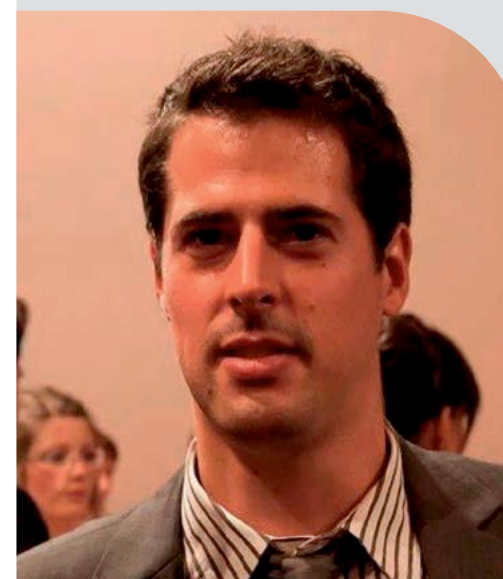
## **Long-term mine plan in Tiebas, Spain**

We are developing a long-term plan based on a geological model, production technologies, and market requirements, including a Sorbacal® SPS unit.

The plan integrates safety requirements and adapted mine development with slope stability constraints. We intend to reduce limestone fragmentation by adapting how we transport blasted stone. This should increase the proportion of stone destined for lime kilns, with a major impact on the life of the reserve.



**We manage  
and valorize  
rare natural  
resources  
with  
care and  
efficiency.**



We have reduced our CO<sub>2</sub> emissions, energy consumption, and waste rate. This is part of our sustainable development policy and we continue efforts to reduce our footprint with our energy transition. The focus is now on continuously improving installations to improve the performance of our furnaces and switching to CO<sub>2</sub>-neutral fuels. That is a major challenge for our company and society.

## **Francois Van Cutsem**

Manufacturing Excellence Senior Manager –  
Lhoist Western Europe



# BIODIVERSITY

Humans and biodiversity are reliant on each other. Maintaining and enhancing biodiversity on Lhoist sites is a holistic process that is not simply about restoration. It is also about considering our impact on the environment and applying the knowledge of experts to produce healthier, stronger ecosystems.

With this always in mind, we try wherever we can to eliminate, offset, or minimize our impact. We work with universities and NGOs to create new habitats that strengthen ecosystems. And we educate our people about the environment they work in, from observation of habitats to appropriate handling.



Holistic approach for healthier ecosystems and environmental impact reduction.



Biodiversity and industrial activity can be merged in a sustainable vision. We are committed to enhancing life in our quarries and want to foster biodiversity initiatives across our geographies. We want to improve our practices, understand and tackle biodiversity challenges specific to our activities, create awareness, and engage our employees and stakeholders in a shared project.

**Jacques Chanteclair**  
Vice-President and Managing Director – Lhoist Southern Europe

### Life in Quarries project, Lhoist Western Europe

Lhoist is an active member of the Life in Quarries project. The initiative aims to preserve and enhance biodiversity at extraction sites in Belgium. It implements biodiversity measures during operations, not just in the final rehabilitation process. Projects include creating ponds, scree slopes, flowering meadows, and shelters for pollinators, snakes, and frogs. Our operational teams are all trained and involved.

### Biodiversity Protection Program, Lhoist Central Europe

The lime plant in Wojcieszow, Poland, is part of the Natura 2000 network of breeding and resting sites for rare species and habitats. Its sustainability team has worked with scientists to create a program that promotes biodiversity and the sustainable use of rock resources.

The aim is environmentally safe rock extraction. Specific goals include protecting bat wintering caves, the habitats of plants like the fertile beech forests, and protected animals such as the crested newt. We will communicate the results on a yearly basis.

OUR ACHIEVEMENT  
IN 2022

25%

active quarries  
with biodiversity  
management plans  
Reached in all quarters

OUR GOAL  
FOR 2023

60%

active quarries  
with biodiversity  
management plans



# PEOPLE

## INTERVIEW LAETITIA OLDENHOVE

People Pillar Leader

HR Excellence and Analytics Director – Lhoist Group

Our sustainability agenda touches every aspect of the business. One thing is sure, though: We will not be successful without our people.

Safety, skills development, and inclusion are essential to ensure that each of our people has a great experience with the company and can perform now and in the future. Our “Go for Zero” approach to safety is one example I am particularly proud of, and I look forward to reaching that target.

But much more than this, we look at the well-being of our employees from a perspective that considers all dimensions. That includes physical and emotional working conditions, health, social, and financial.

Our structured agenda also fosters collaboration and interactions between our regions and countries, which benefits everyone. While units across the globe have specific needs, they continually share experiences, best practices, and guidelines. That means we learn to focus on the projects with the greatest impact.

Monitoring and measuring success are key to achieving our objectives. Our analytics and dashboards help us deliver on our sustainability promises. They allow us to set minimum standards and visualize our achievements. But they also push us to set ambitious targets, take new steps forward, and venture out of our comfort zone.

Indeed, tackling our sustainability challenges will require audacity, creativity, and inclusion. That’s also why we want to grow a diverse pool of talent, people with various backgrounds and opinions who are rooted in the diverse communities our company connects with each day. Although diversity has traditionally been a challenge in our industry, I’m very excited about our projects in this area.

Attracting talent from the younger generations is crucial. For those among them who want to have a real impact on the climate, Lhoist is the place to be. We are resolutely transitioning to a different future.



“  
We will  
not be  
successful  
without  
our people.  
”



# SAFETY

**“Go for Zero” is the Lhoist Group’s objective, to ensure all our people get home safely at the end of every day. A commitment to safety excellence means identifying all hazards, mitigating all risks, and continually improving our safety record.**

**On our sites and those of our customers, we all have a responsibility to safeguard each other’s health and safety. We carry out thorough risk assessments to ensure everyone—be they employees or contractors—understands our expectations.**

**Comprehensive reporting of safety alerts and Potentially Significant Incidents enables us to monitor and track our progress toward zero.**

## Work Accident Prevention Week, Lhoist Latin America

To foster a culture of safety excellence, our Brazilian units organized Work Accident Prevention Week. The aim was to make everyone aware of the seriousness of work-

related accidents and illness and reaffirm the importance of well-being and health.

They promoted several actions, including lectures, practical workshops, and activities on various topics, from PPE (Personal Protective Equipment) errors to traffic safety and mental self-care.

## Stay Safe approach in Europe

The motto of the Stay Safe campaign is “No task is so important that it cannot be done safely.” The Stay Safe approach compiled the basic behaviors employees should follow to prevent accidents, and shared them with our European colleagues. Many positive actions have been implemented as a result: policy changes, platforms for truck drivers, berms in quarries, new safety glasses, safety improvement of hydraulic arms, training of managers and operators, and sharing the first themes of the Stay Safe campaign.

OUR GOAL  
FOR 2023

3.8

Lost time incident rate

Process safety is one of our top priorities.

We are dedicated to establishing safe plants that create secure working environments, following the principles in our Lhoist Safety Roadmap. Our goal is to achieve sustainable production by continuously adapting our technologies and establishing stable, safe production processes. We work closely with diverse teams to enhance our process safety, ensuring the well-being of everyone involved at every stage, from design to operations and maintenance.

## Patrick Baczynski

Junior Health & Safety Manager – Lhoist Germany



The fatigue management program is a commitment between Mining, HR, and Health & Safety. Actions like ergonomics, nutrition, health, readiness, and anti-fatigue software have helped us to achieve culture change. Changing the mindset means our teams see the benefits of the program for well-being at work.

## Joao Paulo L Oliveira

Mining & Quarry Coordinator – Lhoist Latin America

OUR ACHIEVEMENT  
IN 2022

100%

employees with health,  
pension and life insurance  
coverage  
Reached in all quarters

# WELL-BEING

**We can achieve nothing without our people. To ensure they can get the most from their daily lives, we have a duty of care to ensure every member of our team feels supported mentally and physically.**

**The world of work has now recognized that mental well-being is as important as physical well-being. That is why we’ve created a comprehensive structure of well-being at Lhoist, from positive working conditions and initiatives on physical, mental, emotional, social, and financial well-being to encouraging our colleagues to tweak their behaviors and remain healthy, engaged, and safe. Our people’s well-being is essential for the Group’s sustainable and long-term success.**

## Health Week, Lhoist Central Europe

Health Week took place on our sites in Poland and the Czech Republic. The week featured physical exercises and classes on ergonomics at work with a physiotherapist, a webinar on mental health, and an understanding of healthy snacks. The objective was to share the idea of health protection and create a healthier work environment that reduces the risk of mental and physical illness. We were proud of the positive feedback from employees, which illustrated how valuable this week was.

## Vive Saludable, Lhoist Colombia

The Vive Saludable program took place from June to December 2022 in our unit in Colombia. It set out to strengthen and promote healthy habits for all our colleagues.

Activities included lectures from professionals, walks, and running challenges. At the end of the program, a 27-strong team took part in the Christmas Run in Cartagena, organized by Lhoist’s HR and Safety team.



# COMMUNITIES

**An important part of our culture is working with our neighbors in an atmosphere of mutual trust to create long-lasting, positive change for the communities around us. By engaging locally on projects that develop an understanding of our business we can become a reliable part of the community. Through these initiatives, we are shaping a better future together, where our collective efforts result in a positive, long-lasting impact.**

## Growing green in Whitwell

The green garden initiative developed an eco-friendly area on the Lhoist grounds in Whitwell in the UK.

A team of volunteers from Lhoist and the local community created a peaceful, sustainable haven. It offers food and habitats for wildlife and a place for locals to relax and recharge.

The Whitwell plant project is fully in line with our strategic efforts on sustainability. Involving the community is an ideal way to promote a sense of pride and ownership in the area. Schoolchildren visited to build bird boxes and refuges for toads and reptiles. A local group monitors nesting boxes and rings chicks to track their progress. Others who have enjoyed the garden include Scouts and a butterfly conservation group.

## School visit to Lusical

Sustainability requires a long-term vision. Helping the next generation understand the role of sustainability in the industry is vital to ensure the planet's well-being.

Lusical, our plant in Portugal, welcomed 200 children to mark the National Environmental Education Week in June. They learned about the sustainable industry and the role of lime in their day-to-day life.



**Sustainability requires a long-term vision.**

The team explained the manufacturing process and the environmental aspects of its activity in a child-friendly way. The children visited the kiln control room and the bagging section, where they could see the robots working.

Not only did the children get to see what we do, but we also opened their eyes to an exciting career path at Lhoist, fueling their curiosity and inspiring them to dream big.

## Horta Solidaria in Latin America

Immediate practical benefits can emerge from sustainability efforts. On the grounds of Lhoist Latin America, Lhoist volunteers created a vegetable garden. More than 800 baskets of fresh and organically grown vegetables were distributed locally in 2022, with priority given to nursing homes and organizations.

The garden is next to our plant in Arcos on Lhoist's grounds. The appreciation of the local community prompted us to work on a new garden next to our plant in San José da Lapa, which Lhoist and the local community will share.

OUR ACHIEVEMENT  
IN 2022

100%

sites with community  
engagement plan  
Reached in all quarters

OUR GOAL  
FOR 2023

100%

complaint management  
process in place in our  
operations



Cultivating a strong sense of community is at the core of our daily operations. Through active engagement with the local community, we have fostered a relationship based on trust, transparency, and shared values. Ongoing dialogue and collaboration enable us to address the concerns and needs of our neighbors while aligning our business practices with the region's sustainable development. We are all motivated to do even more and bring about positive change.

**William Limousin**

Plant Manager Neau – Lhoist Southern Europe

For us in Latin America, the communities around our operations are not just places. They are groups of people with whom we can have an impact and with whom we are building our capability to work together in a new social collaboration model.

**Thiago Avelar**

CEO – Lhoist Latin America





# DEVELOPMENT

We are nothing without our people, and it's vital for our future that we grow talent from within through significant investment in learning and development.

Continuous learning and development allow us to innovate as a company, deal with the challenges of a rapidly evolving world, and ensure our employees thrive. The diversity of our teams is one of our strengths and we are working on diversity improvement plans so we can do even better. Our Women In Leadership at Lhoist (WILL) project is just one example.

**Fabrica de Líderes, Lhoist Latin America**  
The Fábrica de Líderes (Leaders Factory) was launched in August at Lhoist's units across Brazil. This program was based on the results of the Group's global engagement survey.

A total of 78 area leaders are taking part in the 18-month scheme, which is divided into areas such as Leadership & Soft Skills, Lhoist Business, and Diversity & Inclusion.

Participants learn through more than 95 hours of face-to-face training, content on our Workday Learning platform, and podcasts.

**Managing with Purpose**  
We began upgrading our Managing with Purpose 12-month learning journey from our Lhoist University portfolio and launched it in 2023.

Twenty-four managers from across the group began their journey through theoretical lessons, group interactions, and project work centered on their regional LEOS (Lhoist Experience Opinion Survey) results. This was followed by a six-month coaching program designed around the Lhoist Leadership Model and Competency Framework.

The goal is to equip new managers with the skills to become confident and competent leaders, managing in the One Lhoist way and providing the best possible employee experience.



One of our Global Learning & Development ambitions within Lhoist is to create learning journeys for key roles that blend formal and informal learning across a significant period of time. The Managing with Purpose program is a prime example of this in action. Through training, project work, networking, and coaching, these new managers are empowered to deliver on business results and sustainable development.

**Antoinette Lefevre-Stevens**  
People Experience Director – Lhoist Group



Lhoist has demonstrated a strong commitment to diversity and inclusion. As a member of the DE&I task force, I am proud to have contributed to this crucial mission and am confident it will yield meaningful results, propelling us toward a more equitable future. Being a pioneer in this evolution fills me with pride and gratitude. Lhoist reinforces its family values with concern for all employees while continuing to push toward sustainability to secure a brighter future for generations to come. Together, let us build a reliable future!

**Maud Peyrache**  
Quality & Environment Director – Lhoist Southern Europe



# DIVERSITY

We are proud of the loyalty and commitment our employees show to our organization. Part of this is the result of providing an environment that supports and celebrates diversity, equity, and inclusion. All our employees have an equal opportunity to grow their careers, be safe, and be their authentic selves at work.

**Diversity, equity & inclusion**  
As part of our commitment to our global diversity, equity, and inclusion (DE&I) goals, in July 2022 we began to define our 2030 Ambition and Roadmap with the engagement of 12 leaders from various regions and functions.

This workshop enabled us to track progress on our achievements and the challenges and opportunities we face down the line. It also allowed us to gain buy-in from our leaders to the DE&I project. Our roadmap is now in place, and we're excited to be on our way, working on the

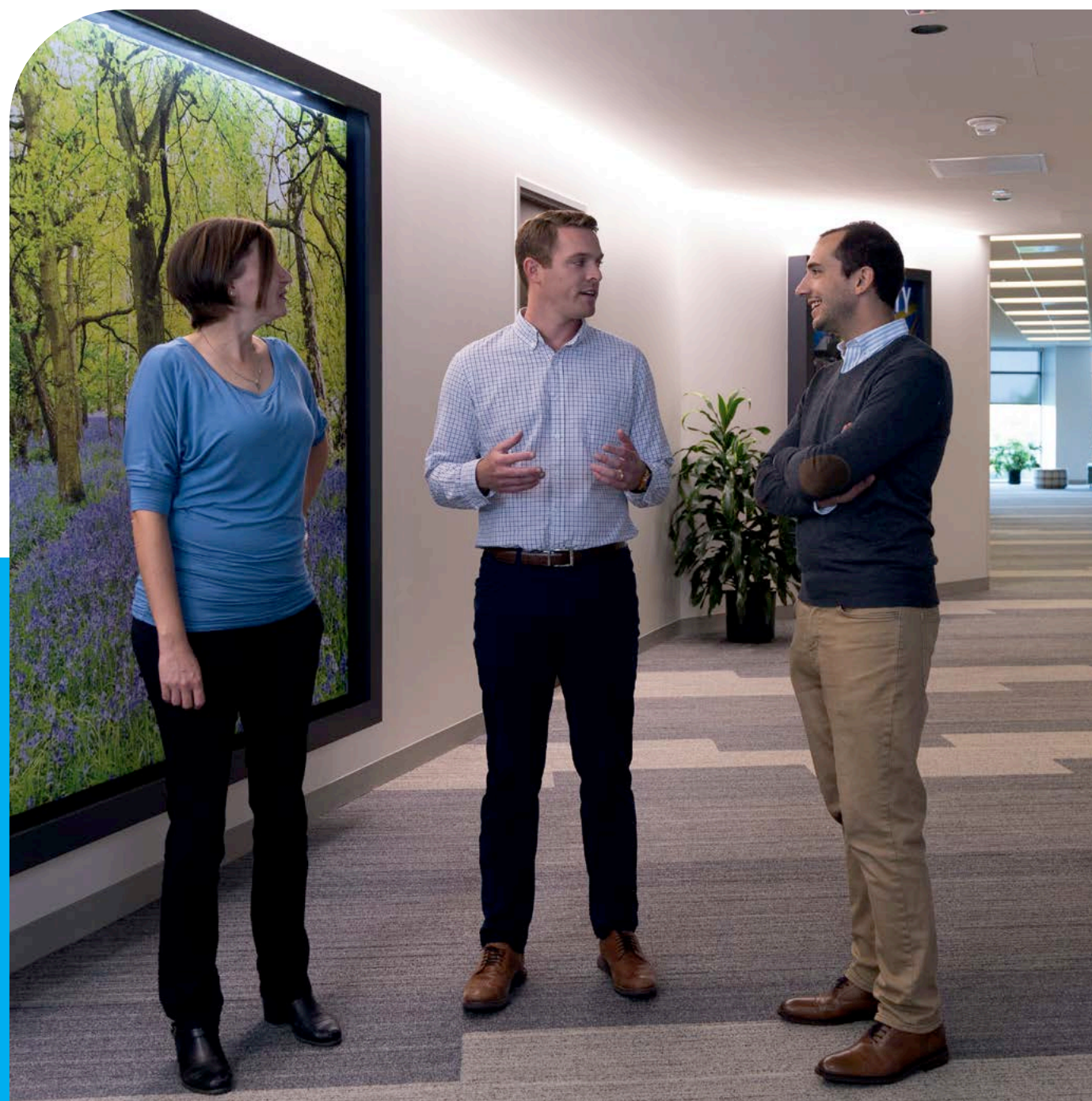
creation and modeling of a more inclusive culture, events around fair practice, and pay equity reviews to confirm and monitor our commitment to fair participation.

**Voice of Early Careers workshop**  
Our Early Careers workshop allowed us to engage our employees at the start of their careers at Lhoist, to understand them better, discover more about their needs and expectations, and use that information to attract sought-after candidates and make Lhoist an aspirational employer.

One hundred colleagues from 16 sites in different regions workshopped with us to provide their opinions on recruitment, onboarding, learning and development, well-being, and the work environment.

Our aim is always to provide an even better experience for future employees.





## PROFIT

### INTERVIEW MELISSA SEWELL

Profit Pillar Leader

Director of Sustainability – Lhoist North America

As Director of Sustainability for North America and a former Director of New Business Development for our environmental products, I was thrilled when Lhoist asked me to oversee the Profit pillar of the group's sustainability agenda.

What is at stake is to reconcile profit with purpose, by making sure we think about how our products affect our customers, our employees, and the world—and try to do better without compromising the viability of our businesses. Although there is a shared sense of climate urgency, we also need to factor in long-term considerations to make the right choices.

On a day-to-day basis, customers increasingly ask us to do more to help them meet their sustainability goals. This pushes us to devise new and creative potential solutions. That has been the case in air pollution control and water treatment for years, and also in other industries today.

The circular economy solutions we have co-developed so far generated a significant return in 2022. And we see many opportunities for deeper cooperation with clients in the coming years to reduce their waste problem and generate new revenue streams for us. We rely on our very promising LEVELBLUE™ products. What is sure is that the sustainability challenges will prompt us to understand our clients' production processes even better and forge new partnerships.

Upstream, our purchasing team has worked on more than 20 global sustainable projects with our suppliers in recent months. Finding innovative solutions with our vendors makes our sustainable agenda so exciting across our units.

There are other ways in which our sustainable approach contributes to profitability. Indeed, our investment in health, well-being, and safety reduces de facto absenteeism in our quarries and plants. We will also strengthen the focus on our relationship with the communities around us, with the goal of reinforcing our license to operate.



“  
Finding  
innovative  
solutions  
with our  
vendors  
makes our  
sustainable  
agenda so  
exciting.  
”

# PROCUREMENT



Partnering  
with suppliers  
committed  
to waste  
reduction.

**Our goal is to increase the life of our procured goods and services, and we work with suppliers who understand and support that goal. We give preference to suppliers who can demonstrate a track record of sustainability and are as committed as Lhoist to reducing waste.**

**In accordance with the Lhoist Code of Conduct (available on our website) our 2,000 suppliers uphold human rights and labor standards, health and safety practices, business integrity, and environmental responsibility.**

## Recycling refractory bricks

In our efforts to move from a linear to a circular economy, we are working with local partners who recycle used refractory bricks after separating the different types of bricks on site. Using local expertise and innovative solutions, we can ensure we minimize our waste streams.

## Recycled railcars are part of our solution

When looking for a railcar company to renew part of our lime transport fleet in France, we chose a partner that re-manufactures old railcars, which goes hand in hand with our efforts toward more sustainable purchasing decisions.

Ermewa has transformed 130 second-hand railcars in line with our needs and specifications—a far more sustainable solution than renting new railcars.



Moving forward to sustainability offers a wide range of benefits. It helps us improve our brand reputation, establish a competitive advantage, and do business in line with environmental legislation. Circular procurement is the way towards sustainability for the next generation.

**Monica Fong**  
Operational Procurement Manager – Lhoist Asia



When we think about procurement, we used to think only in cost reduction terms. Circular procurement is more than that: You are invited to think of different ways to procure, in a sustainable way for the generations to come. Products, equipment, materials, and services all have a price; life does not. Think differently, procure circularly.

**Hugo Luz**  
Operational Procurement – Lhoist Latin America

## An innovative way to reuse filter bags

To conserve resources and reduce our waste streams, we can now extend the lifetime of our filter bags at several Lhoist plants in Southern Europe. This is thanks to an innovative solution from one of our suppliers. Instead of buying new filter bags every five years, we can clean them to restore their initial performance. This allows the bags to last up to 15 years before we have to replace them.

Thanks to the success in our plants in Southern Europe, the solution is being considered in other regions and divisions.

## Sustainable procurement training

What we buy and whom we buy it from has an impact, not only on our suppliers but on the economy, the communities around us, and the environment. Our e-learning program ensures our people understand how to introduce sustainability, recognize the role and added value of procurement, and understand how to embed sustainability in our procurement process and decisions. All our buyers in every region completed the training in 2022.

## OUR ACHIEVEMENT IN 2022

100%

implementation of the  
sustainable procurement  
policy  
Reached in all quarters

## OUR GOAL FOR 2023

20

global #  
of circular  
procurement  
projects



# SUPPLY CHAIN

To be effective, sustainability has to extend right along the supply chain. We communicate and collaborate with our suppliers and procurement partners to ensure we work with those who prioritize sustainability and have a proven record of reducing waste and increasing efficiency.

### Supplier Code of Conduct

Creating environmental, social, and economic value through the supply chain is vital. It is key that our suppliers, and every part of their value chain, uphold the same standards as we do. Together, we must strive to make a positive difference to people's lives and the planet while securing our long-term prosperity. We hope that, by insisting these values are upheld by suppliers in our procurement process, they will strengthen standards within their own organizations and use them in interactions with other partners. Ultimately, this improves sustainability across the industry.

To ensure transparency and clear goals, we have created the Lhoist Supplier Code of Conduct, which sets out the minimum standards we expect all our suppliers to adhere to. They cover human rights and labor, occupational health and safety, business integrity, and environmental responsibility. Compliance with the Lhoist Supplier Code of Conduct is part of the qualification criteria to be a

Lhoist supplier and is mandatory in our tendering process. Suppliers for more than 60% of our spend have signed our Supplier Code of Conduct. This figure will only increase as new contracts are signed or renewed.

Our Supplier Code of Conduct contains all the requirements for our suppliers and is available on our website.

### Assessment of risks in the supply chain and developing sustainability plans per category

Managing risks in our supply chain is a priority for Lhoist. Our materiality assessment methodology for risk is based on three pillars: People, Planet and Profit.

Applying this methodology to our major spend categories has allowed us to identify the risks and opportunities in the supply chain and to build action plans that address them.



We are proud to contribute to a more sustainable future for Lhoist by working closely with our suppliers. Our Code of Conduct confirms that both parties align on taking more responsibility for the plant, by reducing energy and resource consumption, or by focusing on CO<sub>2</sub> reduction. This opens a dialog with suppliers, enabling us to turn their focus towards a more sustainable way of working and greener solutions for their products and services.

**Katrin Baar**  
Sourcing Manager – Lhoist Germany



Lhoist, as a solutions provider, supports customers with products and know-how to help them reduce, reuse, and recycle their waste streams. Partnering with industry to develop solutions while aligning with societal values is key for sustainable growth.

**Mathilde Breuil**  
Market Development Manager – Lhoist Western Europe



# CIRCULAR ECONOMY

Working toward sustainability is a group effort. We want to help our stakeholders and customers along the purchase chain to reuse and valorize their waste streams.

Our goal is a circular economy in which we preserve the value of materials through strategic recycling and repurposing. That adds value for our customers and partners and gives us a competitive edge, enhancing long-term profitability.

**Oxyfertil® and Calcifertil®**  
Lhoist has expanded its Oxyfertil® and Calcifertil® food security range, made of by-products from the energy, organic food, pulp, and paper industries combined with dolomitic/limestone. This means we can be a secondary source of materials repurposed with lime-based products to respond to customer needs while being active in the circular economy.

**Synthetic slag, Germany**  
Lhoist has always been committed to sustainable solutions for our customers in the steelmaking industry. Synthetic slags are made of secondary alumina and magnesia compound from recycled refractory bricks and steel slags, along with lime, limestone, dolomite, and sintered dolomite. These are used in desulfurization and purification applications in steel plants. They have a lower carbon footprint than traditional products and lower energy consumption during the steelmaking process.

## 2023 KEY PERFORMANCE INDICATORS

### EMISSIONS

10%

Reduce combustion CO<sub>2</sub> emission per burnt ton (vs '18)

### ENERGY

25%

Share of renewable electricity

### RESOURCE VALORIZATION

<2.9%

Lime & Dolime Processing Waste ratio (%)

### BIODIVERSITY

60%

Active quarries with Biodiversity Management Plan

### SAFETY

3.8

Lost Time Incident Rate

### COMMUNITIES

100%

Complaint Management Process in place in our operations

### DIVERSITY

30%

Women in Professional and Management roles

### SUPPLY CHAIN

80%

Large sourcing projects (>100k€) integrating sustainability criteria in the Request for Proposals (RFP)

### PROCUREMENT

20

# of global circular procurement projects

### CIRCULAR ECONOMY

25 million EUR

value generated by re-using and recycling customer waste (scope 1)

## A NEW FOCUS

At Lhoist, we are listening to all our stakeholders to ensure we make a positive impact. Socially, economically, and environmentally, we are committed to taking actions today that will create a sustainable tomorrow for everyone.

KPIs allow us to measure progress toward our sustainability targets in a manageable and transparent way. Together, they count for 20% of all our employees' variable compensation. This helps us all to feel connected with our sustainability goals, increasing our motivation and engagement as we strive together to reach our targets.

There are several KPIs that we achieved in 2022. To simplify our approach, we have decided to not repeat nor replace them. We chose instead to cut our KPIs from 18 to 10. Focusing on fewer indicators supports transparency and helps to align our sustainability ambitions with the reality of our day-to-day business.

This streamlined focus will allow our leaders to analyze the drivers behind the data and inspire all our colleagues to play their part in the challenge.

We wish to thank all of them for being part of that journey.



# PERFORMANCE DATA TABLES

PLANET	Unit	Target 2022	Results 2022	Results 2021	Notes
<b>Emission intensity lime and dolomitic lime production</b>					
CO <sub>2</sub> emissions (Scope 1)	kg CO <sub>2</sub> /t		1,204	1,204	(3)
CO <sub>2</sub> emissions from fuel	kg CO <sub>2</sub> /t	392	393	400	
CO <sub>2</sub> emissions from raw materials	kg CO <sub>2</sub> /t		798	791	
<b>Fuel mix for lime and dolomitic lime production</b>					
Solid fossil fuels	%GJ		67%	65%	
Low-carbon fossil fuels	%GJ		22%	24%	
Recycled	%GJ		6%	6%	
Biomass	%GJ		5%	5%	
<b>Electricity</b>					
Electricity consumption	GWh		1,354	1,385	
Renewable electricity share	%		35.5%	34.3%	(4)
Own and contracted renewable electricity share	%	2.5%	24.80%	2.3%	(5)
Renewable electricity projects	#		21	10	
<b>Valorization and preservation of resources</b>					
Sites with lime and dolomitic lime processing yield above 95%	%	85%	76%	76%	
Active sites with long term mine plans	%	> 90%	92%	87%	
<b>Biodiversity</b>					
Regions with Biodiversity Management Plans (BMP)	%	100%	100%	75%	
Active quarries with a Biodiversity management plan	%	25%	34%	9%	

(3) includes emissions from Heavy Mobile Equipment

(4) includes implicit renewable electricity from the grid only. Data for 2021 and 2022 are estimates as data is not available for all countries at time of publication.

(5) includes electricity produced by Lhoist, purchased through Power Purchase Agreements (PPA), with Guarantees of Origin (GoO), or with Renewable Electricity Certificates RECs).

PROFIT	Unit	Target 2022	Results 2022	Results 2021	Notes
<b>Sustainable supply chain and procurement</b>					
Procurement spend with suppliers that accepted the Lhoist Supplier Code of Conduct	%	55%	65%	51%	
<b>Circular economy</b>					
Revenue from circular economy initiatives	€ million	60	60	50	
Lhoist divisions with circular economy initiatives	%	100%	80%	100%	

# PERFORMANCE DATA TABLES

PEOPLE	Unit	Target 2022	Results 2022	Results 2021	Notes
<b>Workforce by region</b>					
Total operational employees	FTE		6,388	6,337	
Lhoist Europe	FTE		3,290	3,311	
Lhoist North America	FTE		1,630	1,581	
Lhoist Latin America	FTE		876	879	
Lhoist Asia	FTE		340	321	
Corporate	FTE		252	245	
<b>Employees by employment type</b>					
Permanent staff	FTE		6,257	6,210	
Part-time workers	FTE		123	116	
Apprentices, Interns	Heads	277	367	262	
<b>Employee diversity</b>					
Women in total workforce	%		13.20%	12.8%	
Women in Director (or equivalent) and above positions	%	15.0%	15.00%	13.2%	
Women hired	%		18.20%	16.40%	
Number of nationalities across Group	#		69	68	
Employees by age group	%				
30 and under	%		14.78%	14%	
From 31 to 50	%		51%	51%	
Over 50	%		34%	35%	
<b>Safety</b>					
Lost Time Injury Frequency Rate (LTIFR)		3.8	4.1	4.9	
<b>Health and well-being</b>					
Global absenteeism		< 4.6%	4.80%	4.80%	
Lhoist Europe	%		7.70%	7.10%	
Lhoist North America	%		2.50%	2.70%	
Lhoist Latin America	%		1.40%	1.70%	
Lhoist Asia	%		5.80%	5.50%	
Employees fully covered by minimum health benefits, pension plan, life insurance	%	100%	100%	98%	
<b>Education and development</b>					
Promotion from within in management	%	> 65%	65.30%	68.6%	
Promotion from within in Director (or equivalent) and above level	%		77%	95.50%	
Employee turnover	%		10.80%	11.10%	
Divisions with Women In Leadership at Lhoist (WILL) program	%		100%	100%	
<b>Communities</b>					
Sites with a community engagement plan	%	100%	100%	93%	

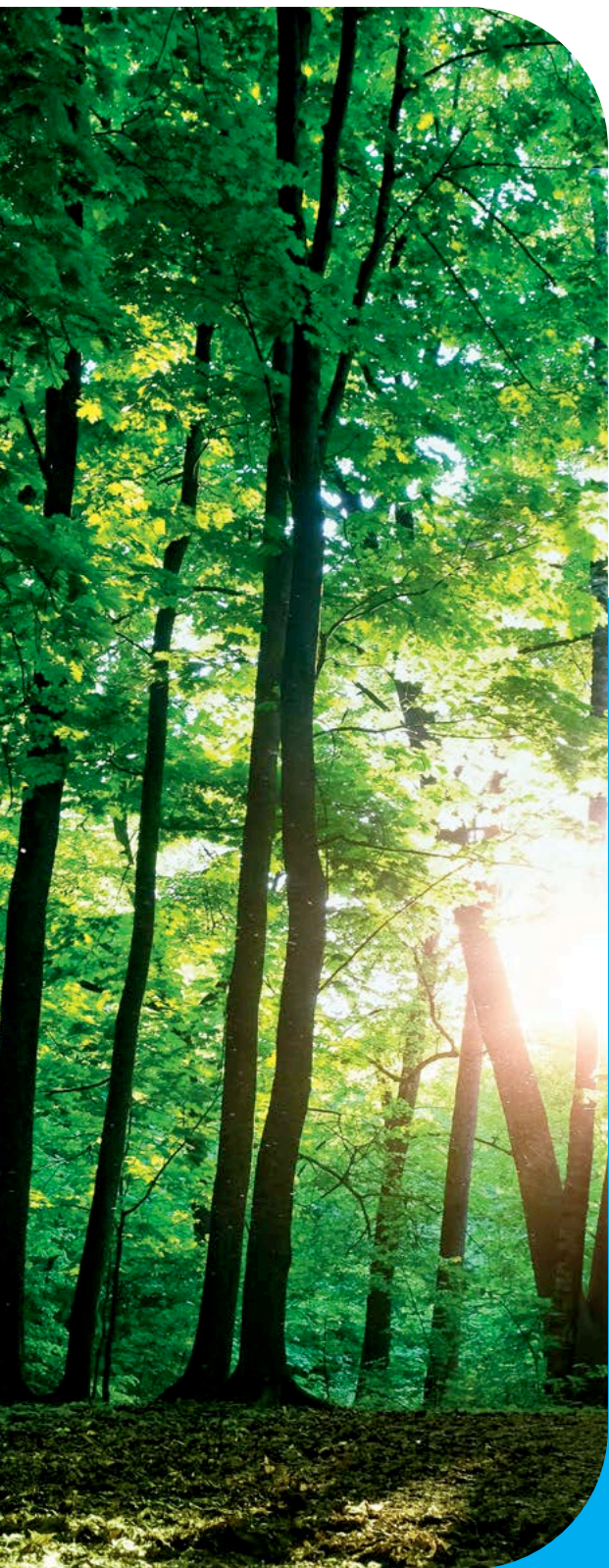
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