

BIODIVERSITY  
*Roadmap*

# The Value of Biodiversity to Votorantim Cimentos

Biodiversity conservation is an issue that impacts everyone's lives. This becomes clearer when we consider that the term biodiversity refers to the range and variety of life and ecosystems in a given area. We are dependent on biodiversity in several aspects, from our most basic needs (such as nutrition) to more subjective aspects (such as the satisfaction we get when we are surrounded by nature).

Likewise, economic activities depend on natural resources that are maintained by ecological processes, such as soil nutrition, pollination and the planet's climate regulation. Driven by the degradation of ecosystems and its consequences, which are acutely felt by society (water shortages, fires, agricultural pests, floodings and others), the private sector has been dedicating increasingly more attention to financial risks resulting from nature's damages and to the intersection of the biodiversity and climate change agendas. This concern is evident in the Global Risks Report of the World Economic Forum (2023), which classified biodiversity loss as the fifth biggest risk to the global economy in the next 10 years, underlining the mining sector's vulnerability and calling attention to the need for urgent measures to prevent the collapse of ecosystems.

Biodiversity conservation is a matter of great importance to Votorantim Cimentos. The current situation requires us to take new steps to ensure progress regarding our commitments and management processes in many aspects and spheres. To do our part, we created this Biodiversity Roadmap that outlines the steps we must take over the next six years (2024-2030) toward establishing

global and strategic corporate governance to ensure processes that are more beneficial for the conservation of nature and ecosystem services, as well as for the well-being of communities in the areas where we operate.

This Biodiversity Roadmap will drive us toward an environment in which our management approach will be characterized by a positive and innovative agenda that includes appreciation for our environmental assets and measurable targets aligned with international benchmarks. We will incorporate key information into our planning, as we streamline our processes and improve the quality of our projects, while embracing our responsibility and the opportunities that nature can provide.

At Votorantim Cimentos, we are guided by **Our VC Way**, a cultural framework that includes three dimensions and nine principles that guide us as we create changes while remembering our history. That is why one of our principles is **Positive Legacy**. For us, our results are only worthwhile if they are accompanied by social and environmental responsibility. Numbers, ratings and measures that do not reflect this belief do not align with our vision as a company. For this reason, this journey is a responsibility shared by the entire VC team, regardless of business area, site or role. Together, we will work to evolve Towards a Sustainable World!



**Álvaro Lorenz**, global director  
Sustainability, Institutional Relations,  
Product Development and Engineering.



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## Acronyms

- BAP** – Biodiversity Action Plan (see also BMP)
- BES** – Biodiversity and Ecosystem Services
- BMP** – Biodiversity Management Plan
- COP 15** – The 15th United Nations Biodiversity Conference (held on December 7-19, 2022, in Kunming, China and Montreal, Canada)
- COP 28** – The 28th United Nations Climate Change Conference (held on November 30 through December 12, 2023, in Dubai, United Arab Emirates)
- ESG** – Environmental, social and governance
- GCCA** – Global Cement and Concrete Association (global association that represents 80% of the global cement industry, excluding China)
- GRI** – Global Reporting Initiative (organization that manages the GRI Standards, the world's most widely used system for sustainability reporting)
- SDG** – Sustainable Development Goals (a global agenda including 17 goals and 169 targets to be achieved by 2030, introduced at the United Nations Summit on Sustainable Development)
- SASB** – Sustainability Accounting Standards Board (a non-profit organization created to develop sustainability accounting standards)
- TNFD** – Taskforce on Nature-related Financial Disclosures (the TNFD guidance enables businesses and finance to integrate nature into financial decision-making. The purpose of TNFD is to support a shift in global financial flows toward nature-positive outcomes)
- TSM** – Towards Sustainable Mining (specific standard developed by the Canada Mining Association and being implemented in Brazil by the Brazilian Mining Institution/IBRAM, to ensure sustainable mining)

# Votorantim Cimentos Biodiversity Roadmap | 2024–2030

## Responsibilities and opportunities presented by nature

### 1. VOTORANTIM CIMENTOS' PURPOSE AND COMMITMENTS

Votorantim Cimentos is recognized for its strength and tradition in the Brazilian market, as well as for its relevance in the international cement sector. While maintaining this position, we also strive to be recognized for our efficient management of sustainability matters related to our business.

To guide us on this journey, we rely on our 2030 Sustainability Commitments, which, combined with best practices in ESG, align our global operations with the current and future needs of society. These needs include the conservation of biodiversity and ecosystem services—in other words, the conservation of nature. This is a key topic for Votorantim Cimentos' business, not only because it is a critical factor in the environmental licenses of our projects (especially our mining operations), but also for its relevance among the stakeholders that determine the continuation of our social license to operate.

However, it is clear that biodiversity is a complex issue that not only involves risks (e.g., restrictions to obtaining environmental licenses), but also presents opportunities that can benefit the company and neighboring communities (such as nature-based businesses, carbon emissions offsets, measures to adapt to climate change, etc.).

Therefore, considering our commitment to the principles of the Global Compact, the sustainability pillars of the Global Cement and Concrete Association (GCCA - an organization of which we are a member) and the Sustainable Development Goals (especially SDG-15: Life on land), biodiversity is included in our Environmental Policy and Green Rules, as well as in our 2030 Sustainability Strategies and Commitments (documents that apply to the entire company globally).

In short, these documents formalize our commitment to:

- | Protecting species and ecosystems according to our Global Environmental Policy, focusing on protected areas and other areas of significant relevance for biodiversity through measures such as:
  - Preventing environmental impacts, in general, over the entire life of projects.
  - Rehabilitating areas used during our operations and after the closure of sites.
  - Monitoring species and recovered areas.
  - Using natural resources efficiently, reducing our indirect pressure on ecosystems.
- | Generating positive and long-lasting results for the company and society through Biodiversity Management Plans aligned with Votorantim Cimentos' strategies.

### 2. ROADMAP GOALS

This document details the required actions to enhance Votorantim Cimentos' biodiversity management performance through the implementation of:

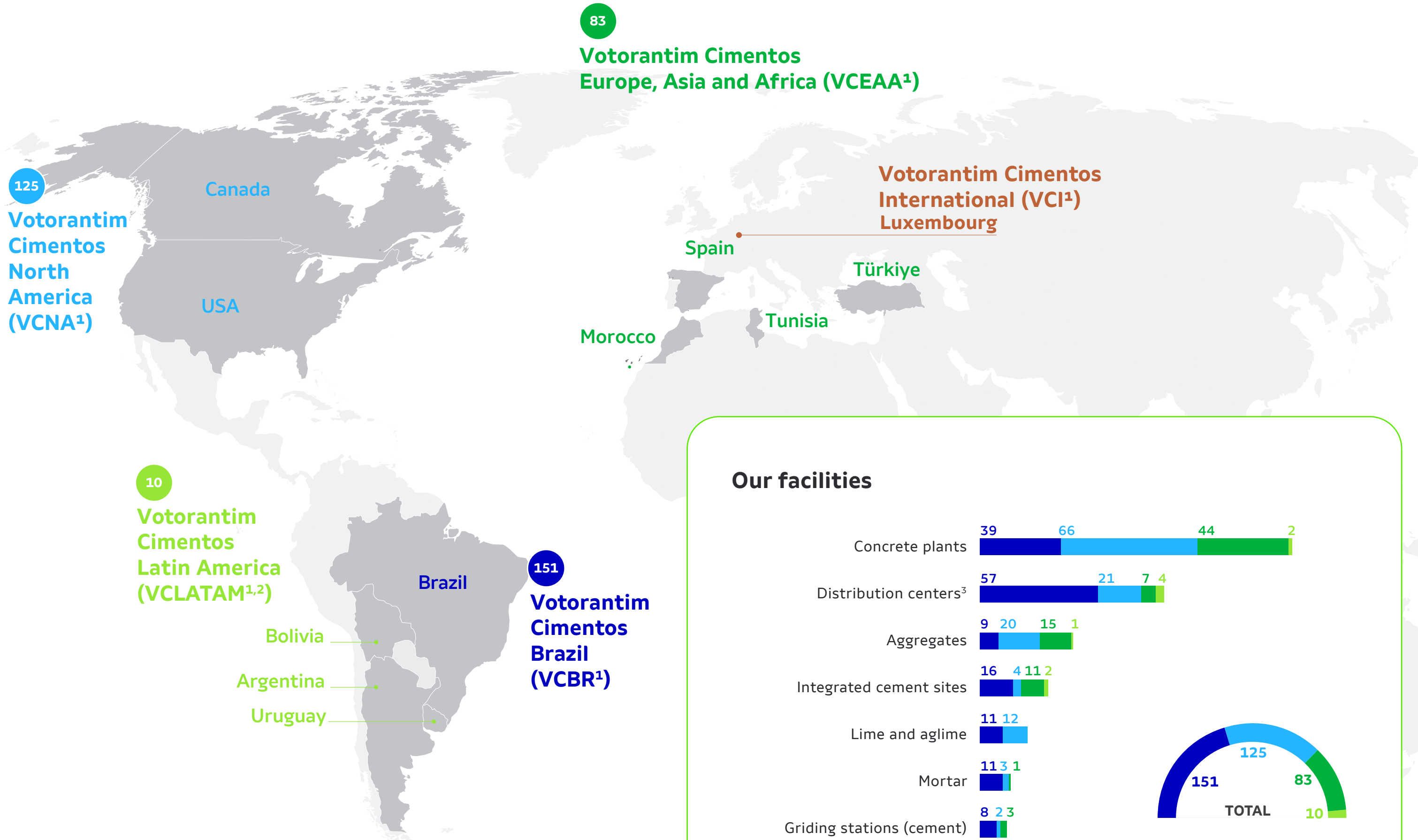
- improvements in internal procedures;
- mechanisms to add value to our environmental assets;
- quantifiable and challenging indicators and targets that consider biodiversity as an opportunity to generate shared value for the company and society.

### 3. SCOPE OF THE ROADMAP

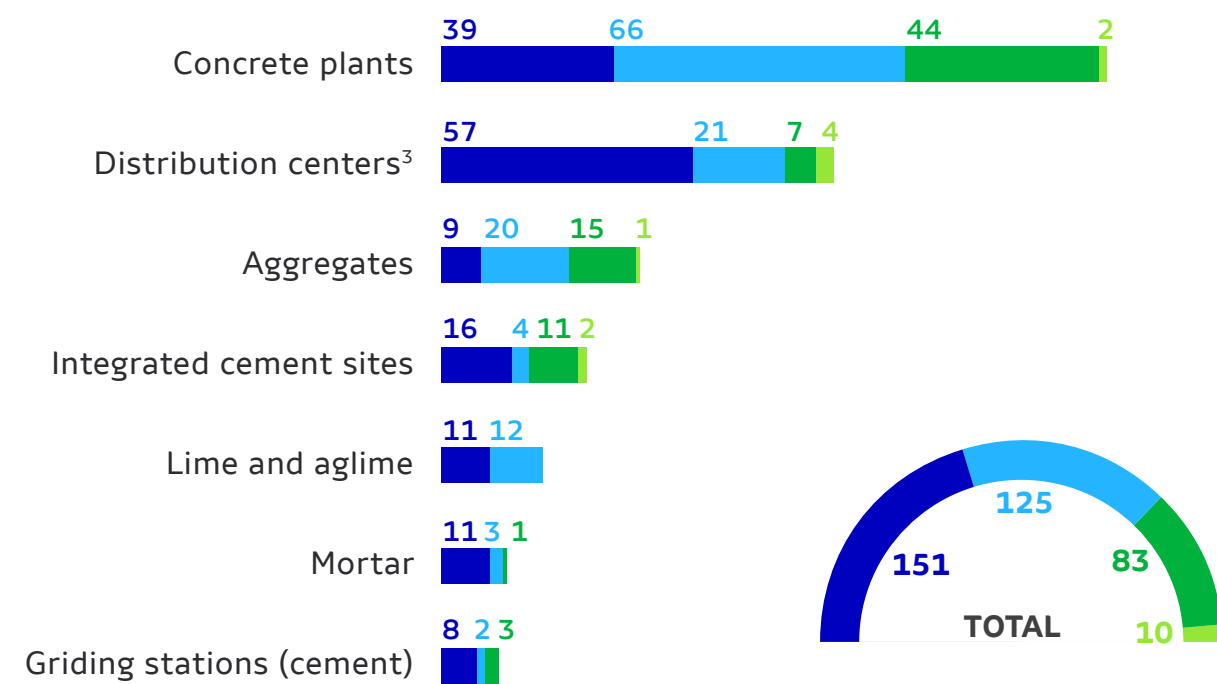
The scope of results expected with the Biodiversity Roadmap will be the following:

- | Thematic: management of impacts and risks related to biodiversity and ecosystem services; management of environmental assets; development of nature-based opportunities.
- | Territorial: global.
- | Institutional: every operation and plants controlled by Votorantim Cimentos, according to their specific characteristics.
- | Organizational: all governance levels, according to their different competences and characteristics.

## Votorantim Cimentos around the world



### Our facilities



● VCBR ● VCNA ● VCEAA ● VCLATAM

<sup>1</sup> This total considers active fixed operations in 2023. The co-processing facilities are integrated with, and accounted for, in cement sites. Sites that operate seasonally are also considered in the total number, as long as they are available for use throughout the year.

<sup>2</sup> Includes figures for Bolivia and Uruguay only, since we hold a minority stake in our business in Argentina.

<sup>3</sup> Distribution Centers considers only stand-alone sites, that is, those that are not attached to a plant.



## 4. BASELINE TO DETERMINE THE TOPICS AND ACTIONS INCLUDED IN THE ROADMAP

The topics, actions and expected results on this document were set in function of the current situation of the following elements:

### Interactions of our operations with natural

(characterized based on internal knowledge);

### Votorantim Cimentos' global management

(information gathered from interviews with employees of all business areas, in every region, and from a diagnostic survey administered in some sites in Brazil, in addition to a gap analysis considering international ESG standards);

### Key topics in corporate biodiversity management

(as identified through international standards, management guidelines for the industry and ESG rating questionnaires completed by Votorantim Cimentos);

### External trends and pressures

(identified through interactions in technical forums and the review of specialized materials);

### Best practices in the cement and mining sectors

(identified through benchmarking with leading global companies).

### 4.1. Impacts of our activities on biodiversity

Every Votorantim Cimentos operation has some degree of interaction—directly or indirectly—with biodiversity, a process that occurs in every stage of the life of a project. The most direct and intense negative interactions are caused by activities that result in the extinction or extreme alteration of natural habitats (for example, the installation of facilities and mining activities). The positive impacts result from requirements that protect, recover and even reduce pressure on or threats to species, ecosystems and ecosystem services (for example, the implementation of ecological corridors, protection of springs, collection of data about species, etc.).

Damage to biodiversity can result from different processes if this matter is not taken seriously. Examples of processes that interact with biodiversity include engineering projects, mineral exploration projects, effluent management and environmental licensing, among others.

It is important to keep in mind that ecosystems benefit people in different ways, from providing resources we need to survive (such as water and food) to influencing subjective aspects that result in the sense of happiness we get when being surrounded by nature. Therefore, measures to reduce risks and impacts on biodiversity, especially those focused on generating a positive impact, can benefit the well-being of our own employees and the quality of life of neighboring communities.

These benefits are known as ecosystem services. Our activities also depend on certain types of them, such as water availability, dust and noise mitigation (preventing disturbances to neighbors), carbon storage in biomass (offsetting our carbon emissions) and erosion control, among others.

Overall, our sites with mining operations occupy the largest areas and most often overlap with areas with high conservation values (such as caves, forest remnants, protected species or species that are important for the community, etc.). Because of that, mining operations not only have a higher responsibility to protect and recover natural habitats, but also a higher potential to generate nature-based benefits for the company's sustainability.

## 5. ROADMAP'S FOCUS AREAS

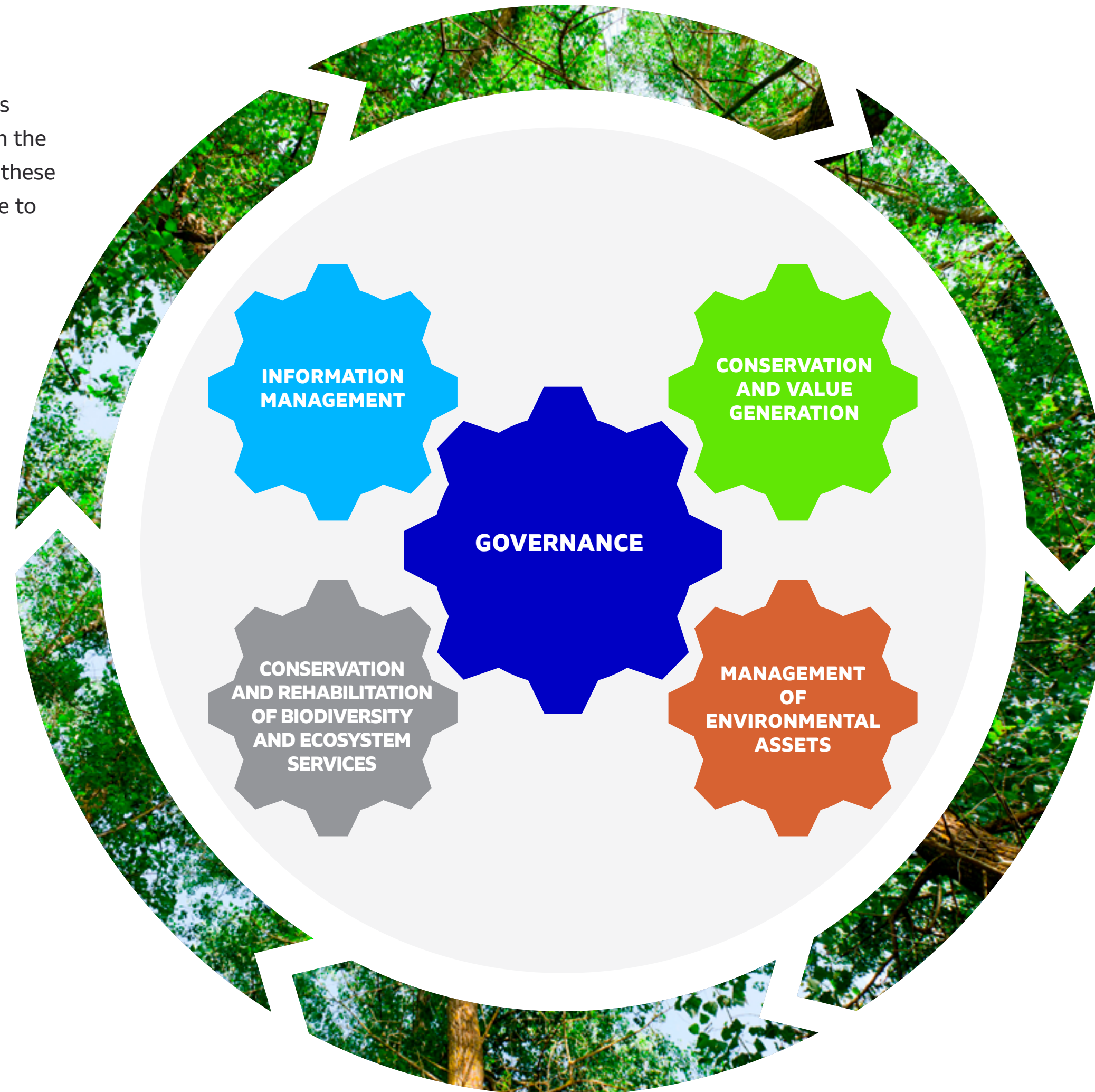
The integrated assessment of management gaps considering trends and best practices resulted in the five focus areas described on this page. Each of these areas includes improvements that must be made to ensure the results of the Roadmap.

### Information management:

- | Integrated management of data on biodiversity and natural areas;
- | Integrated monitoring of KPIs and targets;
- | Monitoring of Biodiversity Management Plans (BMPs).

### Dissemination of best practices:

- | Enhancement of rehabilitation plans and BMPs;
- | Protection of species;
- | Conservation and expansion of ecosystem services.



## Focus Areas

### Management and decision-making mechanisms:

- | KPIs and targets;
- | Internal guidelines and procedures;
- | Targets and decisions committee.

### Conservation and value generation:

- | Integration of biodiversity, water, climate and people;
- | Nature-based solutions;
- | Management of risks and opportunities.

### Management of environmental assets:

- | Strategic mapping of nature-related risks and opportunities;
- | Asset security and control;
- | Natural areas appreciation plan.

## 6. RESULTS AND TIMELINES

Color key:

 **GOVERNANCE**

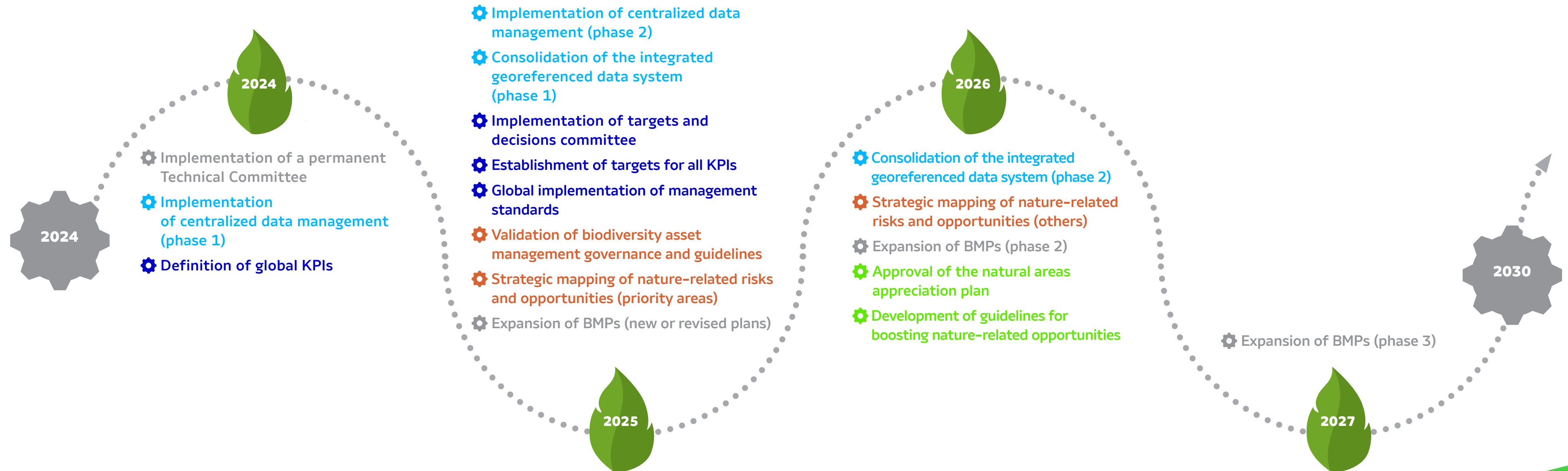
 **INFORMATION MANAGEMENT**

 **CONSERVATION AND VALUE CREATION**

 **MANAGEMENT OF ENVIRONMENTAL ASSETS**

 **CONSERVATION AND REHABILITATION OF BES**

# Biodiversity Roadmap 2024-2030





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