

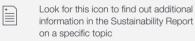
# Empowering sustainability through our building solutions

CRH Sustainability Report 2021

# Inside this year's report

At CRH, we are the global leader in sustainable building materials. We are uniquely placed to integrate materials, value-added products and building solutions, which play an important role in shaping a more sustainable built environment. In this year's report, we demonstrate how we are responding to the global trends shaping the future of construction and collaborating with our stakeholders to embed sustainability through our integrated building solutions.

# Navigation



information in the Sustainability Report

- P Look for this icon throughout the Sustainability Report for more information on additional reports and assessments, available on crh.com
- A

Look for this icon throughout the Sustainability Report to find more information on CRH, our businesses and our sustainability performance, available on crh.com



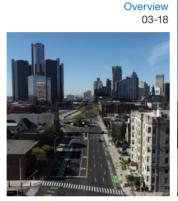
Look for this icon throughout the Sustainability Report to find out more information on our targets and ambitions



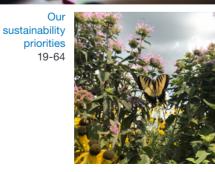
Our report has been independently assured every DNV year since 2005.

## Section overview

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# CRH at a glance

We are organised as three operating Divisions of scale comprising Americas Materials, Europe Materials and Building Products.









#### + Our global business



Sales

Americas Materials

# \$12,4billion

▲ +10% 2020: \$11.3 billion c. 28,300 employees c. 1,605 operating locations 46 US states, six Canadian Provinces





## Europe Materials



## Sales \$10.6 billion

▲ +16% 2020: \$9.1 billion c. 25,600 employees c. 1,120 operating locations 20 Countries

Global sales Products and services



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# A message from our Chief Executive

CRH is a sustainability leader within the building materials industry. By combining our materials, products and services, including recycled end-of-life materials, we are providing integrated solutions which can be delivered more efficiently and sustainably. That way we can better serve the emerging needs of customers and support them in meeting the challenges of modern construction.

#### Building a more sustainable future

Market demand and societal expectation for building materials and products is evolving. To meet these demands, in 2021, we continued to deliver value for our stakeholders and advance our sustainability goals by producing climate-friendly materials and investing in our employees.

#### Driving actions for carbon neutrality

As CRH and the world around us transitions to a low carbon economy over the coming decades, it is increasingly important how we navigate climate-related risks and opportunities. As the leader in our industry, we recognise our responsibility to reduce the impact of construction on our world. We have a long track record in successful emissions reduction initiatives and we recently set ourselves a new, SBTi-approved industry leading target for a 25% absolute reduction in group-wide Scope 1 and Scope 2 CO<sub>2</sub> emissions by 2030.

#### Protecting our people

Safety remains our top priority. Through risk management and continuous investment into safety, we protected our employees throughout the COVID-19 pandemic and will continue to care for the safety and wellbeing of our people into the future. We recognise that a healthy and engaged workforce is vital to the success of our business.

### Advancing our inclusive culture

In 2021, we made good progress in building a more inclusive company, one which fosters a sense of belonging and empowers people to be their best. As a global business, it is important that our workforce reflects the communities in which we operate. With this in mind, we have established Inclusion & Diversity committees across our three divisions and our corporate offices and our operating companies are developing Inclusion & Diversity programmes at local level.

#### Collaborating for biodiversity

We have continued our efforts to conserve biodiversity, recognising that healthy economies depend on a healthy environment. We are working to ensure that biodiversity is managed at all our relevant locations, while also striving to enhance natural systems beyond our operations. Through collaboration efforts with stakeholders, such as the Wildlife Habitat Council, we are actively engaging in measures to promote biodiversity.

#### Strengthening our performance

We are scaling our ambitions as we strive to ensure a long-term sustainable future for our business and a positive impact on the world around us. As part of our ongoing commitment to sustainability, we have accelerated our progress on a number of our sustainability targets (see page in 17-18) and we have further advanced our disclosures in line with the Financial Stability Board's 'Task Force on Climate-related Financial Disclosures' (TCFD) standards.

#### Looking ahead

As I write this message events in Ukraine are developing rapidly and we continue to closely monitor the evolving situation. The safety of our employees remains our top priority and I am relieved to say that for the moment everyone is safe and in a known location. Looking to the future, we aim to continue to drive progress for society and the environment through our sustainability approach and the delivery of value-added solutions and products.

# 2021 Highlights

For over 50 years, we have continued to evolve, adapting our business model to address the changing needs of our customers and the growing demand for integrated building solutions to reduce the impact of construction on our world.

We are proud of the work we have done this year to encourage sustainable growth, strengthen our inclusive and diverse culture, support our communities and act as stewards of the environment.



Safety 94%

zero accident locations

# \$300m

invested in health and safety over the last 5 years



Environment

\$207 m

environmental initiatives

# 1.2 kg CO<sub>2</sub>/\$

revenue GHG Scope 1 and 2 CO<sub>2</sub> emissions



People 2.4m

hours of employee training across our business

22%

females in senior leadership Copo Copo

Products

product revenue from sustainable products

39.5m

tonnes of alternative fuels and raw materials recycled 

## Collaboration

\$7.1m

donated to local organisations and initiatives

# c.1,100

stakeholder engagement events hosted by Group companies

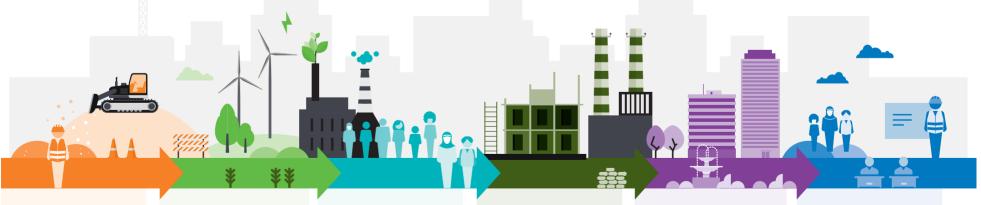


Integrity C.32,600 employees trained

in Code of Business Conduct

# c.8,500

employees received Advanced Compliance Training



**Read more** about how we are contributing to our safety priorities on pages 20-25

**Read more** about how we are contributing to our environment priorities on pages 26-39

**Read more** about how we are contributing to our people priorities on pages 240-45

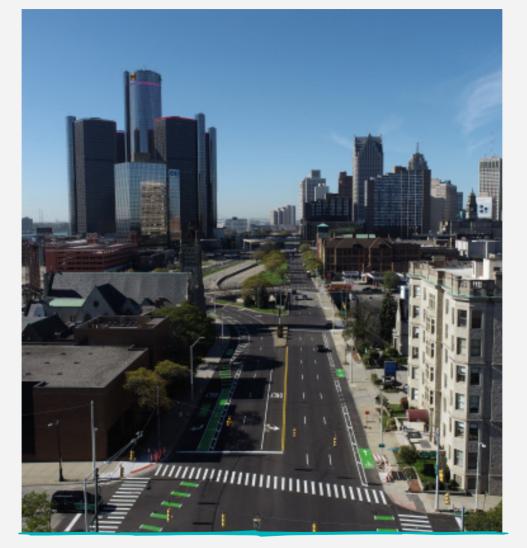
**Read more** about how we are contributing to our product priorities on pages a 46-49

**Read more** about how we are contributing to our collaboration priorities on pages 50-58

**Read more** about how we are contributing to our people priorities on pages 59-64

# The world today

At CRH, we are fully committed to ensuring our company works for both people and planet. We passionately believe in the power of working in close partnership with all stakeholders across our value chain to proactively contribute to sustainable economic growth. In this section, we describe how we are acting on the issues that are shaping our world.



CRH employees collaborated with the National Asphalt Pavement Association (NAPA) in developing the NAPA roadmap Towards Net Zero Carbon Emissions, which highlights the use of recycled asphalt pavement (RAP) as a method of contributing to a net zero economy. Adopting this tactic, Cadillac Asphalt of our Americas Materials Division used 28.7% RAP when paving Jefferson Avenue, Detroit, winning the NAPA Quality in Construction award in 2021.



## Climate action

→ Global warming represents one of the most significant issues of the  $21^{st}$  century. We see governments determined to take action and deliver a net-zero future, evidenced by the UN Climate Conference (COP26) commitment to limit the average global temperature rise to  $1.5^{\circ}$ C. The complementary pledge to stop deforestation by 2030 underscores that stemming climate change is only possible if we have environmentally sustainable economic growth. It's not just governments that must lead. Every section of society has a responsibility to take ambitious action.

At CRH, we fully understand this imperative and have a proud history of taking decisive steps to tackle climate change and promote biodiversity. Our emissions reduction targets have been approved by the SBTi as consistent with levels required to meet the goals of the Paris Agreement. We have also joined the Business Ambition for 1.5°C initiative, which aims to achieve net-zero global emissions by no later than 2050 in order to limit global warming to 1.5°C.

Our ambition is to be carbon neutral along the cement and concrete value chain by 2050. We strongly believe we will only be successful if we fully respect and represent the communities in which we operate.



The benefits of an inclusive and diverse workforce are clear to our business leaders. For example, Tarmac, part of our Europe Materials Division in the UK, recently received Clear Assured Silver Standard from assessment body The Clear Company in recognition of its ongoing dedication to inclusion and diversity. This accreditation was awarded due to Tarmac's significant ongoing efforts to improve its I&D practices and ensuring these have been embedded day-to-day across the business.



→ Upholding and promoting fundamental human rights that respect peoples' nationality, age, gender, ethnicity, religion, disability, sexual orientation, education and personal strengths is critical to driving social progress where everyone can realise their full potential.

The private sector can be a powerful agent of change in helping to advance this critical agenda. Companies that embrace all aspects of diversity as positive forces in their business do better. They are more creative, innovative and attract more top talent. That is why we strongly believe we will only be successful if we fully respect and represent the communities in which we operate.

As part of our focus on building a more inclusive and diverse CRH, we have set a target of 33% female leadership by 2030. We are confident we will make even more progress on all I&D issues over the coming decade by further investing in our human capital.



## Circular economy

→ Traditional linear models of production and consumption can be expensive and wasteful, putting pressure on Earth's natural resources. Whereas the circular economy – which uses products made of renewable, reusable, or recyclable materials – supports sustainable growth and climate neutrality.

The circular economy presents enormous opportunities for CRH, as we focus on producing a new generation of low-carbon, value-added building solutions for the built environment. By considering the full life cycle of our products and innovating to drive more sustainable outcomes – such as using waste materials, alternative fuels and renewable energy in our manufacturing – we can both meet customer demands and protect the environment. We are fully committed to working with all stakeholders across our industry to develop the circular economy, including establishing appropriate legal and regulatory frameworks.

We are the largest recycler of building materials in North America.



Where possible, our operating companies use alternative materials to provide end-of-life solutions for products. For example, MoistureShield composite decking from Oldcastle APG, part of our Building Products Division, is manufactured using 95% recycled content.





At CRH, we take the lead in rethinking the nature of sustainable construction. Heembeton, part of CRH's Europe Materials Division based in the Netherlands, is a leading producer of prefab building systems and solutions including prefab concrete walls and facades which enable quicker, cleaner and more efficient construction of both commercial and residential structures, needed to help meet the challenges of the post-COVID-19 environment.

## Post COVID-19 built environment

 $\rightarrow\,$  The long-term impacts of COVID-19 on public health, societal behaviours, economies and businesses remain unclear, however certain trends are emerging.

While COVID-19 is not expected to alter the long-term trend of urbanisation, it is likely to have a lasting impact on the built environment. When workplaces fully reopen, a premium will be placed on smart buildings that track ventilation, air filtration, hygiene, room utilisation and people traffic. City planning will also be re-evaluated, as greater consideration is given to urban layouts, green infrastructure and population densities to protect peoples' wellbeing.

At CRH, health, safety and wellbeing in the workplace has always been a top priority – for our employees, contractors and customers – and this will continue. We will also work closely with our partners and customers to help build more healthy and resilient communities.

At CRH, health, safety and wellbeing in the workplace has always been a top priority – for our employees, contractors and customers – and this will continue.



## Technological revolution

→ Technological advancements – such as artificial intelligence, robotics, blockchain, the Internet of Things, 3D printing and quantum computing – are driving unprecedented gains in efficiency, productivity and sustainability. This has led to exponential growth of the digital economy, which is transforming every industry. For CRH, these innovations present significant opportunities to improve efficiencies in our operations. To further drive innovation, we are establishing an innovation fund of \$250 million to support the development of new technologies, products, processes and customer solutions.

Our Innovation Centre for Sustainable Construction (ICSC) is symbolic of our strategy to develop novel, ground-breaking decarbonisation technologies to help realise our ambition of becoming carbon neutral by 2050. Priorities include developing carbon capture, utilisation and storage solutions; piloting new technology to reduce carbon emissions during cement manufacturing; and utilising concrete to absorb CO<sub>2</sub> and enhance climate resilience in the built environment.

Technological innovations present significant opportunities to improve efficiencies in our operations, maximise safety across our facilities, enhance customer service and reduce CO<sub>2</sub> emissions.



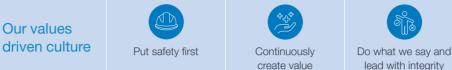
CRH is uniquely positioned to provide value-added building solutions which integrate multiple materials, technologies and services to meet the needs of our customers. CRH Concrete, part of our Europe Materials Division, delivers an end-to-end solution for off-site construction, taking initial ideas to design using cutting-edge digital construction techniques that optimise sustainability and building performance, before manufacturing and assembling of the finished elements.

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# Focusing on long-term sustainability

Today our businesses are at the forefront of a changing construction market globally, where demand for sustainable products and solutions continues to grow and evolve. At CRH, we have a long track record of integrating sustainability throughout our business, having published our first report on sustainability in 2004. We are proud of the progress we have made and the actions we are taking to meet the needs of today and for the future.











act as one company



Build enduring relationships

Sustainability principles are fully embedded in our business strategy and are fundamental to achieving our long-term vision. Our aim is to grow and improve our business in a sustainable way, through a relentless focus on performance improvement, focused growth and value creation for our stakeholders. We leverage our global knowledge and scale to meet the increasing demand for more sustainable building materials, products

## Our strategic pillars

Our business strategy is underpinned by our strategic pillars, which drive our ability to generate superior margins, returns and cash on a continuous basis. We are focused on ensuring every lever we utilise to create value for our shareholders is conducted in a disciplined, responsible and sustainable manner, thereby mitigating potential risks.

### Continuous improvement

We continually focus on building better businesses through operational and commercial to maximise performance.

## **Developing future** leaders

identifying and developing leaders is central to the delivery of our strategy.

#### Continuously improving the sustainability performance of our business is an ongoing focus for CRH. Our six priority areas ensure we are focusing on the areas that are most important to our business and our stakeholders.

## Our actions

Our actions contribute to the delivery of global initiatives including the Paris Agreement and the UN Sustainable Development Goals (SDGs).



## Focused growth

and focused approach to capital allocation which helps us to minimise risk while driving maximum long-term value for our

### Benefits of scale and integration

Our global scale and integrated business model allow us to synergies across our Group.



## **Our SDG priorities**



# Achieving real growth and lasting value

Our business model is built for long-term success. Through our sustainable products, services and value-added building solutions, our businesses seek to deliver the greatest value to our stakeholders and our company. Underpinned by our commitment to sustainability, we continue to learn, act and reflect to ensure we are prepared for the future.

Our vertically integrated business model benefits from the efficient allocation of capital and continuous business improvements across CRH. Our ambition is to continue to deliver superior returns on invested capital and drive improvement and growth across all areas of sustainability, creating financial and societal value.

Note: All references to income statement data are on continuing operations.

- \* Full-time equivalents
- \*\* EBITDA is defined as earnings before interest, taxes, depreciation, amortisation, asset impairment charges, profit on disposals and the Group's share of equity accounted investments' profit after tax.
- \*\*\* Return on Net Assets (RONA) is a key internal pre-tax and pre-non-cash impairment measure of operating performance throughout the CRH Group and can be used by management and investors to measure the relative use of assets between CRH's businesses segments and to compare to other businesses. RONA is calculated by expressing total Group operating profit excluding non-cash impairment charges as a percentage of average net assets.

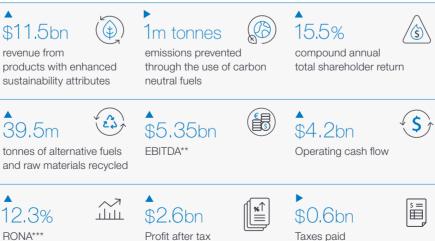
#### Our resources



### How we create value

G	Continuous improvement	<ul> <li>Balanced portfolio</li> </ul>	<ul> <li>Dynamic capital management</li> </ul>
•	Proven acquisition model	<ul> <li>Benefits of scale and integration</li> </ul>	<ul> <li>Disciplined financial management</li> </ul>
•	Risk mitigation	<ul> <li>Central coordination</li> <li>/ local delivery</li> </ul>	

## Value created in 2021



## Why it matters The value created benefits both CRH and our stakeholders:

## Benefits to CRH

#### Financial strength

To support resilience, flexibility and optionality

#### Investment

To drive continuous improvement and optimise returns

#### Lower capital costs

Supports our ability to fund value creating investments

#### Shareholder returns

Through dividends, share buybacks and share price appreciation

## Benefits to society

Customer solutions Sustainable products that meet the needs of our customers

Partner to suppliers Resilient and reliable business partner

Job creation Responsible employer in local communities

Taxation contribution Taxes paid to Governments

# Delivering sustainable value across our global markets

Demand for CRH's products and integrated building solutions is typically underpinned by three primary demand fundamentals: population growth, economic development, and the need to continually repair and maintain the existing built environment. While the prioritisation of material sustainability topics can vary across our Divisions, we will continue to leverage our global scale to meet these growing demands, ensuring all our stakeholders benefit from the sustainable value-added opportunities associated with each.

The extensive footprint of businesses across our Divisions sees us well positioned to meet the growing demand for more sustainable forms of construction. Wherever we operate, our work is underpinned by our values including putting safety first, continuously creating value, leading with integrity, acting as one company and building enduring relationships.

## Diversified group portfolio



Our Americas Materials Division is the leading integrated solutions provider in North America, providing building materials and paving and construction services in 46 US states and six Canadian provinces. As a supplier of materials including aggregates, cement and readymixed concrete and asphalt, our businesses support a broad range of construction projects including major public infrastructure, commercial buildings and residential homes.

Currently, over 80% of the US population lives in urban areas. The continued growth of these urban areas presents concerns for a sustainable future, particularly if cities cannot adequately address the rise of resource consumption, CO<sub>2</sub> emissions, social inequality and environmental degradation. Meeting the demands of a growing population while supporting the development of sustainable cities requires significant transformation in the way we build and manage our urban spaces.

By uniquely integrating materials, products and services, our Americas Materials Division is providing value-added solutions for our customers. In addition, we are helping to address potentially negative impacts through sustainable initiatives. These include reducing our own emissions, increasing the use of alternative materials and focusing on adapting products to help improve the resilience of the built environment to the physical impacts of climate change.



Our Europe Materials Division is the leading heavyside player in Europe with a broad geographic reach spanning 20 countries. The Division operates primarily across Western and Eastern Europe as well as in Asia, supplying a broad range of construction projects from public infrastructure to commercial and residential homes.

Increasing sustainability in Europe requires far-reaching societal and regulatory change, engaging all sectors of the economy and society. Businesses are coming under increasing pressure to align with measures such as the European Green Deal and deliver  $CO_2$  emissions reductions. This is especially true for the industries related to food, energy, mobility and construction. Resource efficiency and the need to move to a more circular economy is increasingly understood to be a key enabler of sustainability.

To meet these challenges, our businesses in our Europe Materials Division continue to produce high-quality sustainable products that contribute to the low-carbon, circular economy, as well as deliver continuous improvements across our operations. In addition, we are working with customers across Europe to apply innovative digital construction technologies and carbon management processes to reduce the embodied and operational carbon footprint of individual structures.



Our Building Products Division operates across 19 countries globally and is a leading manufacturer and supplier of innovative building products and solutions to the global construction market. The Division brings together our related products businesses in North America, Europe and Asia Pacific. These businesses provide solutions that meet the current needs of our customers and address the long-term opportunities presented by economic development, changing demographics, sustainable development and other evolving global construction trends.

Architects, engineers and customers are increasingly working to address the challenges associated with developing net-zero energy buildings, reducing carbon emissions, reducing construction waste and developing smart, sustainable cities. Increasing consumer demand for more sustainable products, as well as new environmental regulations, pushes manufacturers to commit to sustainable and circular outcomes in their processes.

To address these challenges, our businesses in our Building Products Division are continually re-thinking the nature of sustainable construction, ensuring our products deliver building solutions, as well as lowering the carbon footprint of our activities. Our businesses continue to develop specialised products and solutions to help our customers across the world deliver buildings with a superior sustainability performance.

# Building a common future

The United Nations Sustainable Development Goals (SDGs) are a universal call for action to address global challenges. At CRH, we recognise our responsibility to join this collective action and ensure we manage our potential impacts, while maximising our opportunities to better prepare our society for the future.

We contribute to all 17 SDGs, as they all have some connection to our business. Several topics, such as health and wellbeing and human rights are a universal responsibility. However, we have gone a step further to identify where we believe our actions have the greatest potential to make a real and lasting difference.

Having investigated the detailed sub-goals behind each SDG, we confirmed our four focus goals and the targets behind them in which we can affect the most change. In addition, our materiality assessment furthered our progress on incorporating the SDGs into our strategy by identifying how these global goals relate to the issues and impacts within our business.

We are aware of the challenges we face to ensure we manage our potential adverse impacts and maximise our opportunities. We continuously seek to advance the SDGs through the wide range of programs, partnerships, and initiatives we support, ensuring that our businesses contribute to a sustainable future that is truly for all.

	9 INCUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE
Our focus sub-goals	<ul> <li>9.1 Develop quality, reliable, sustainable and resilient infrastructure</li> <li>9.2 Promote inclusive and sustainable industrialisation</li> <li>9.4 Upgrade infrastructure and retrofit industries to make them sustainable</li> <li>9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries</li> </ul>	<ul> <li>11.1 Ensure access for all to adequate, safe and affordable housing and basic services</li> <li>11.2 Provide access to safe, affordable, accessible and sustainable transport systems</li> <li>11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage</li> </ul>	<ul> <li>12.2 Achieve the sustainable management and efficient use of natural resources</li> <li>12.4 Achieve environmentally sound management of wastes through their lifecycles</li> <li>12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse</li> <li>12.6 Encourage companies to adopt sustainable practices and integrate sustainability information into reporting</li> </ul>	<ul><li>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</li><li>13.2 Integrate climate change measures into policies, strategies and planning</li></ul>
Challenges facing CRH	Sustainable infrastructure and new technologies are becoming more prevalent across the construction sector. This brings with it challenges for our industry, including a shortage of skilled workers to implement new technologies, as well as inadequate collaboration between suppliers and customers in the development and application of more innovative processes.	Developing the infrastructure for sustainable cities in an era of rapid growth will require transforming the way we build. It also depends on collaboration across governments, industries and society to integrate consistent industry regulation into the solutions needed to support the overall optimisation of urban systems and help to create sustainable and resilient cities.	The existing market provides challenges to the sufficient access to alternative fuels and materials. In addition, there is a lack of a regulatory framework that recognises co-processing as the optimal waste management solution for unrecyclable materials. This balance needs to shift if the business case for circular construction is to be more competitively widespread.	The building materials landscape is changing rapidly, both from a policy and climate perspective. However, we are still facing insufficient support for the whole life-cycle performance of concrete products, taking into account the complete sustainability assessment of concrete and the overall sustainability outcome of its use in a structure, location or purpose.
How we are contributing to the SDGs	We embrace multiple breakthrough technologies across our activities, products and processes to enable and inspire more sustainable construction and infrastructure. We continue to focus on innovation, research and development as we progress towards our ambition for 50% of revenue to come from products with enhanced sustainability attributes by 2025. See pages attributes by 2025. See pages	As a leading building materials company, we recognise and embrace our responsibility in the development of sustainable cities and resilient communities. We are collaborating across our industry in designing products for resilient construction and adapting our processes to develop the climate-smart innovations that support communities and improve the social value of the built environment. See pages 47 and 57-58 for more information.	We are focusing on increasing the use of alternative fuels and materials within our activities and products, ensuring that we use natural resources more efficiently to minimise our environmental impact. In addition, we are continuously developing innovative new technologies to recover energy from alternative fuels and increase the volume of co-processing materials. See pages and 38 and 49 for more information.	We continue to design for resilient construction, adapting products to help improve the resilience of the built environment to the physical impacts of climate change. As we work towards our 2050 ambition for carbon neutrality along the cement and concrete value chain, we have committed to a 25% reduction in our absolute emissions by 2030. See pages 🗎 27-32 for more information.

# Managing risk and building resilience

Enterprise Risk Management (ERM) plays a critical role in how we respond to a world of increasing uncertainty. At CRH, our integrated and effective risk management facilitates more agile decision-making, drives increased performance and provides a robust foundation for the identification and assessment of material sustainability threats and opportunities.

## Our ERM framework

Businesses today are exposed to increasing uncertainty evolving from rapidly changing political, economic, social, and environmental factors. At CRH, we recognise that strong risk management practices can provide competitive advantage and drive value creation.

Our ERM framework, a core part of our risk management culture, has been developed to promote our sustainable growth, while also recognising the importance of our role in delivering a lower-carbon economy and a more resilient built environment. By identifying and managing potential risks and opportunities, we optimise the allocation of resources, prioritise mitigating risks, and position ourselves to capitalise on potential opportunities.

## Engaging with our stakeholders

To support the consistent application of our ERM framework, we engage with our stakeholders, such as employees, customers, suppliers, shareholders and local communities, to identify risk across our value chain. Methods of engagement include risk workshops, formal materiality assessment processes and assurance processes.

## Proactively managing risk

We consider risk across numerous key areas, including health and safety, sustainability, and legal and compliance. Equal weighting is applied to each potential risk to ensure that our most material exposures are consistently managed at the right organisational level.

To promote objective decision-making across our business, we assess potential risks against defined impact thresholds. This ensures that we have robust risk management in place at all levels and information on potential risks is escalated in a timely manner to management and the relevant Board Committees, including the Audit Committee and the Safety, Environment and Social Responsibility (SESR) Committee

## Principal and emerging risks

Our principal risks are considered over our strategic planning horizon, and are split into short, medium and long-term exposures, defined as less than a year, one to three years, and three to five years, respectively.

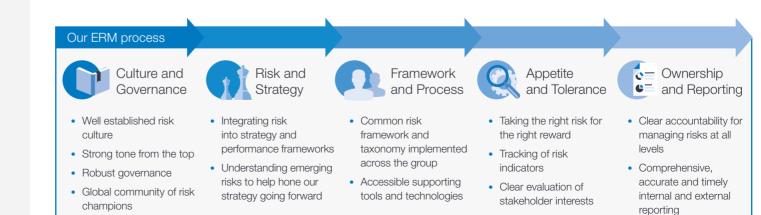
Recognising the slower evolution of some risks over longer time frames, we have an embedded process to track and manage emerging risks.

# Sustainability risks and opportunities

With our global presence and industry leading position, we are very aware of our role in delivering a more sustainable and innovative built environment.

Our risk management processes ensure that we continuously assess sustainability-related threats, such as adverse weather events, supply chain disruptions and shortages of critical resources, and create an environment where leaders take a disciplined and focused view on risks.

In addition, our ERM process positions us to capitalise on potential opportunities. This includes meeting increasing demands for innovative, sustainable products that enhance built environments, and building solutions to help protect communities in geographies vulnerable to increasingly adverse climate events. See page 14 for more information on how ERM supports our sustainable growth.



## Annual Report

Read more about our ERM processes in our 2021 Annual Report



# Enterprise risk management in action

Rapidly changing political, social, economic and environmental factors inherently present material uncertainty for our business and major stakeholders. Our ERM framework provides a structured approach for our people to consistently manage risk, whilst positioning us to capitalise on identified opportunities.

## Case studies

### Innovative products

Through our ERM processes, we have identified potential risks and opportunities around sustainability initiatives to produce lower-carbon products, such as lower-carbon cements.

To manage this potential risk, we are prioritising carbon reduction, resource efficiency and the use of products for a more climate-resilient built environment. Oldcastle APG, part of our Building Products Division, for example, supplied a permeable interlocking concrete pavement system for the Elkridge Library and DIY Education Centre expansion project, which mimics nature to more effectively manage urban stormwater thereby reducing risks of flooding. The project was awarded both LEED<sup>®</sup> Gold Certification and the USGBC<sup>®</sup> Wintergreen Award for environmental stewardship.

### Circular economy

The circular economy represents a growth opportunity for CRH. We are already a significant contributor to the circular economy. For example, approximately 25% of every mile of road we build is made from recycled materials. We aim to develop building materials to improve resource efficiency, minimise construction waste and progress the circular economy by considering the full life-cycle of our products.

Our ERM process helps to identify potential opportunities to contribute to a circular economy and drive our target of 50% revenue from products with enhanced sustainability attributes by 2025.

### Supply and value chains

The potential effects of physical climate change, such as rising sea levels, water shortages, flooding and hurricanes, have the ability to significantly impact many communities and businesses around the world.

To address these potential impacts, at CRH, we assess our locations and material requirements to proactively anticipate and counteract any transport difficulties or supply chain interruptions that may arise from changing weather patterns and water risks. In addition, we mitigate the impacts by playing our part in addressing climate change, protecting water resources, reducing waste through process efficiency and offering innovative building solutions, which counteract the effects of adverse weather events.

## Operations

The building materials industry is inherently resource intensive. To address potential impacts, at CRH, we are committing to a low-carbon future through our ambition for carbon neutrality along the cement and concrete value chain by 2050.

In our operations, we aim to reduce our direct and indirect  $CO_2$  emissions through initiatives including increasing our use of alternative fuels, reducing the carbon footprint of our products and innovating for carbon efficiency across our operations. Our emissions reduction targets have been approved by the SBTi as consistent with levels required to meet the goals of the Paris Agreement. We have also joined the Business Ambition for 1.5°C initiative, which aims to achieve net-zero global emissions by no later than 2050 in order to limit global warming to 1.5°C.



# Defining the sustainability landscape

Regular materiality assessments are part of the range of processes, including annual sustainability reporting and risk management reviews, that we use to identify and define the material topics that should be elevated in our business strategy and reporting. These processes help us monitor risks and opportunities and articulate what matters most to society.

During 2021, we reviewed the findings of our formal materiality assessment. which was carried out in 2019. The formal materiality process included desktop research, internal and external stakeholder engagement and data analysis. It highlighted new and emerging sustainability topics for CRH and our stakeholders. In reviewing the outcomes of the materiality assessment, we identified opportunities to update our materiality issues to reflect changing societal concerns.

	Validation and outcomes
UN SDGs See page 12 for more information on our SDG priorities	

Identification and engagement	An initial list of over 900 sub-topics was developed based on a desktop review of sources including: • Legislation • Industry trends • Peer review • Megatrends • CRH Risk Register	This list was consolidated into key topic areas and tested with a range of internal and external stakeholders across relevant geographies and business activities, to understand their perceived importance	<ul> <li>We engaged with our stakeholders through:</li> <li>Online surveys</li> <li>Telephone interviews</li> <li>Focus group sessions</li> </ul>
Prioritisation of material issues	The results of the desktop research and stakeholder engagement were collated, and an issues register was developed	<ul> <li>Criteria were developed to measure the importance of each topic, including:</li> <li>Importance to stakeholder relationships</li> <li>Importance to CRH's ability to deliver its strategy</li> <li>Potential reputational impacts</li> </ul>	Based on the findings of the desktop research and analysis of stakeholder engagement exercises, sustainability issues were scored against criteria and plotted on a matrix
Validation and outcomes	The CRH Risk Register was integrated into the materiality assessment to ensure our key sustainability issues were aligned with our business risks and strategy	<ul> <li>Key material topics were identified, validated and reviewed by senior management and are reflected in our CRH sustainability ambitions and targets. See pages</li> <li>☐ 17-18 for our sustainability ambitions and targets</li> </ul>	The outcomes of this process will be used continuously to improve stakeholder engagement and inform integration with global initiatives, such as the UN SDGs

## Our assessment approach

We contracted third-party sustainability experts to carry out our formal materiality assessment process. We identified relevant stakeholders including executive leadership, senior management, employees, customers, suppliers, sustainability specialists, academics, government, non-governmental organisations (NGOs), environment, social and governance (ESG) agencies and trade associations.

We engaged with stakeholders through online surveys, telephone interviews and focus groups, testing a range of sustainability topics and asking them to rank the relative importance of each topic in relation to the impact on them, their community and their business. Stakeholders also had the opportunity to provide unprompted feedback. The insights we gained were extremely valuable in helping us to manage future risks and opportunities. The materiality assessment identified the key material topics considered most critical to the CRH business and our stakeholders.

## Identifying what matters

Recognising that sustainability is constantly evolving, in 2021, we engaged an independent consultancy to carry out a high-level materiality review of our key topics. This review consisted of a high-level desktop review of peer reports, media coverage, rating agencies and legislative changes, as well as internal workshops with relevant functions in CRH.

It was determined that our key material topics remain the most significant sustainability topics for CRH. However, to bring more clarity about how they are connected, some matters have been repositioned and regrouped to form 13 focus material topics (shown in detail in our materiality matrix on page 🗎 16). For example, the topics of climate change, energy, and alternative fuels and materials remain among the top priorities, however these have been consolidated under 'Climate action', to better represent the collective drive towards delivering a net-zero society. In addition, the topic of employees has been divided into 'Inclusion and diversity' and 'People practices' to reflect best practice and the growing external focus on inclusion and diversity.

# Defining the sustainability landscape

Continued

#### Regional and activity boundaries

Throughout the materiality assessment process as outlined on the previous page, the diversification of CRH in terms of business activities and geographies was addressed, so that a global view could be reflected.

Certain sustainability topics were shown to be more relevant for the different activities and geographies. For example, the topic of alternative fuels and materials was found to be most relevant for our cement businesses.

The relevance of some sustainability topics did not vary significantly by either geography or business activity, including the topics of health, safety and wellbeing, inclusion and diversity, climate action and innovative sustainable solutions.



#### Next steps

Looking to the future, we will monitor our material topics, including potential impacts on the performance, development and position of the company, as well as the potential environmental and social impacts of our activities on our stakeholders. We will provide updates annually in our Sustainability Report and use the outcomes to continuously improve our stakeholder engagement processes and inform further integration with global initiatives, as we seek to deliver long-term value creation from sustainability.

## Disclosures

Click here for more information on our sustainability ambitions and targets



# Contributing to a sustainable future

At CRH, we have put sustainability at the heart of our business strategy. Our focus continues to be on building a long-term sustainable business for our employees, customers and communities for the decades ahead. We are proud of the progress CRH has made and the actions we are taking to further progress sustainability, inside and outside of our organisation.

We believe that CRH can play a leading role in responding to the global trends that are shaping our future. We have a long history of setting and achieving ambitious sustainability targets that assist us in delivering long-term value and growth.

Our sustainability targets are vital to the delivery of our business objectives and have been benchmarked against leading companies. We have considered the ambitions of governments and global institutions, such as the UN SDGs and the Paris Agreement.

Through a continued focus on innovation, research and development, and stakeholder engagement, we are making good progress across our focus targets.





TARGETS

Our ambition is to have a

wellness working towards

culture of safety and

zero harm

fatalities, in any year



We deeply regret to report that one employee fatality occurred at one of our facilities in 2021. In addition. three road traffic accidents resulted in one contractor and two third-party fatalities.

## Why is this important to CRH?



Lee Cole, VP Environment, Health and Safety, CRH Americas Materials

"Our goal is that anyone who interacts with our operations returns home safely to their family at the end of the day. We consider this a moral and a business imperative, and it is the reason health and safety is our number one value.

Across our operations, we continue investing in initiatives to strengthen our culture of health and safety. By ensuring that all people who work with us enjoy a safe and healthy work environment, and by paying attention to their physical and mental wellbeing, we can positively impact their lives beyond their time spent at work."



## **Environment**

Our ambition is to address climate change as we strive for carbon neutrality along the cement and concrete value chain by 2050





absolute reduction in group-wide Scope 1 and Scope 2 CO<sub>2</sub> emissions by 2030 (on a 2020 baseline)



Our 2030 target is supported by our target for our cement plants to reduce emissions to 520kg CO<sub>2</sub>/ tonne cementitious product by 2025 (2021: 586 kg)

## Why is this important to CRH?



Randy Lake, Chief Operating Officer, CRH

"At CRH, we recognise climate change as both a risk and an opportunity. Our focus is on reducing our carbon emissions through innovative low-carbon technologies, collaborating with key stakeholders across our value chain and supporting policies enabling a smooth transition to a low-carbon economy.

By taking steps to strengthen our resilience to climate impacts and executing strategies and initiatives to achieve our long-term targets, we strongly believe that we will play our part in protecting the planet."



## People

#### People ambition

Our ambition is to be a business where everyone has the same opportunity to develop and progress



## 2030 Target

33% Female senior leadership TARGETS

#### Progress

by 2030

In 2021, female senior leadership was 22% (2020: 16%). We continue to focus on increasing the share of females in senior leadership and executing our I&D strategy across the Group.

## Why is this important to CRH?



Catherine Dolmans, SVP of Talent and Chief Inclusion & Diversity Officer

"We are committed to building an organisation that embraces differences and listens to the diverse voices that make up our global business. We recognise that our inclusive culture is a competitive advantage, bringing us closer to our customers and more open to sharing innovative ideas.

Our approach to inclusion and diversity goes from building awareness, to practical training on inclusive behaviours and addressing processes that could lead to structural inequalities. It is a fundamental part of how we operate."



# Products



(A)

TARGETS

## 2025 Target



Product revenue from products with enhanced sustainability attributes by 2025

## Progress

In 2021, product revenue from products with enhanced sustainability attributes was 46% (2020: 46%). We continue to work with our customers in the design, delivery and application of integrated sustainable products and solutions.

## Why is this important to CRH?



Carlos Espina, SVP, Group Head of Innovation

"Sustainable construction is not just about the creation of a building that has a low environmental impact; it is about providing innovative solutions that can significantly improve the way people build and design.

At CRH, we are taking a leading role in the transition to more sustainable construction. Our customer understanding, combined with the wide range of integrated products and solutions of CRH, are the ideal platform to innovate and develop our contribution to a more sustainable built environment."

# Additional sustainability targets





We have set additional sustainability targets as a means to continuously improve our high standards of performance and management.

These additional targets are linked to our six sustainability priority areas and reflect changing industry association expectations, as well as those of various investors and rating agencies. They reflect commitments we have made as part of industry collaborations as well as our strategic objective of continuous improvement.

To drive transparency and performance, we will be measuring our progress and holding ourselves to account. We have learned from our journey to date that collaborating with partners and listening and responding to our stakeholders, ensures CRH plays a leading role in shaping a sustainable future.

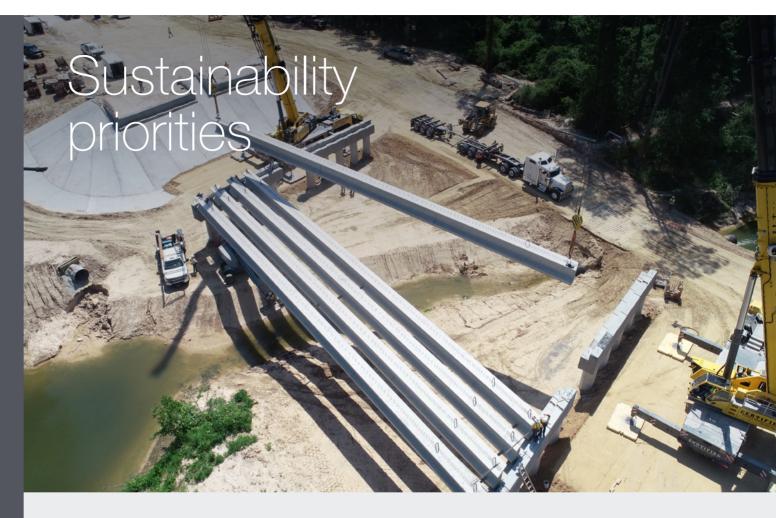
100% Minor emissions monitoring at clinker plants	NO <sub>x</sub> , SO <sub>x</sub> and particulates Air emissions reduction at cement plants	100% of companies to have Community Engagement Plans by 2030
100% of companies to have water management plans in place by 2030	100% of locations in sensitive areas to have a Biodiversity Management Plan by 2030	95% of relevant employees to receive CoBC training, in a reporting year
95% of companies to have waste recycling programmes in place by 2030	100% of suppliers compliant with Supplier Code of Conduct	





As we adapt to a post-COVID world, we recognise that sustainability is more important now than ever before. Our agenda for change reflects the trends shaping the future of construction and the issues that matter most to society. We are continuously innovating to meet the evolving needs of our customers and the planet in order to create a more sustainable future for all.

Albert Manifold Group Chief Executive



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Image: Reliable infrastructure can protect society from extreme weather events. Angel Brother Enterprises and Gulf Coast, companies within our Americas Materials Division, delivered a 4,700 foot four-lane concrete boulevard including double bridges over Little Cypress Creek, near Houston, Texas. The Creek plays an important role in the area's essential food risk mitigation systems and the new bridges will allow the local community to traverse the Creek without compromising its drainage features and detention basins. The bridge will improve mobility for the local community and provide faster access for emergency services.

# Safety







Extraordinary effort goes into ensuring that the health and safety risks within our businesses are managed effectively. Nothing is more important than the safety of our employees, contractors and those impacted by our activities. Collectively we are striving to create a safer work environment for all who work with and in CRH.

Michael Keating, HSE Director, CRH Europe Materials



#### In this Safety section

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Image: Our Americas Materials Division demonstrates our culture of safety excellence with our SEE STOP DO campaign, which gives employees the autonomy to act on any safety risks they witness and honour our safety pledge. SEE STOP DO day is held once a month across the businesses, on which employees are recognised for their dedication to putting safety first and establishing best practices.

# Leading with our culture of safety

We believe everyone has the right to a safe and healthy workplace. As we work towards our ambition of zero harm, we will continue to strengthen our health and safety controls and processes to ensure we build a culture that keeps ourselves and others safe and healthy.

## Protecting our people

Keeping people safe is a moral imperative and a salient human rights issue. We have strong policies in place to uphold our commitment to health and safety across our organisation.

Our Health and Safety Policy (see page 67), which is applied rigorously across all our operating companies, is the cornerstone of safety management at CRH. It sets out clear expectations, for our leaders and workforce, to carry out activities in a safe manner and to care for the wellbeing of all stakeholders with whom we interact. It is complemented by our industry leading CRH Life Saving Rules, designed to support our focus on eliminating fatalities. Our global network of safety officers collaborates with regional and internal specialists to support our businesses in implementing policy and practice, as well as company health and safety processes. including contractor management and Employee Assistance Programmes (EAP).



Case study

The development of our culture of safety is captured in 'A Decade of Safety' at CRH, a video produced by our Americas Materials Division. The video highlights some of the key outcomes of our safety journey including the Life Saving Rules and our SEE STOP DO campaign, which are designed to keep everyone at CRH safe and prevent fatalities.

## Achieving safety excellence

Our leaders are accountable for achieving safety excellence at every location, with clear lines of responsibility through operational management up to the Chief Executive, the Safety Council, the Safety, Environment & Social Responsibility (SESR) Committee and ultimately, the CRH Board. The CRH Board and SESR Committee receive regular updates covering our safety performance, as well as policies, plans, and actions required in relation to serious incidents.

We are well practiced at integrating acquisitions into our safety culture and we have robust processes in place to address the significant challenges that often occur in countries and regions that traditionally have poorer safety records. Due diligence processes are in place for acquisitions to identify any issues with health and safety. Mitigation plans are put in place with the appropriate CAPEX to close out any issues.

# Managing ongoing COVID-19 risks

With our strong culture of safety, we were able to quickly respond to the challenges associated with the COVID-19 pandemic. During 2021, we continued to integrate COVID-19 protection measures into our existing safe systems of work, in line with recommendations and guidelines issued by governments and the World Health Organisation. These include social distancing measures where required, appropriate personal protective equipment (PPE) and enabling employees to work from home where possible.

# Health, safety and wellbeing

What are the challenges and how are we managing them?

Many of our employees and contractors work in potentially hazardous environments and the health and safety of everyone who works with us is our top priority. We are committed to going beyond industry-minimum requirements, to create an empowering safety culture and build on the behaviours that improve the health and wellbeing of everyone who works with us. With effective training and continued development and digitisation of our work systems we continue to reduce risks at every opportunity. Furthermore, our responsibility does not end at our sites. We expect all stakeholders across our value chain to uphold our world-class safety culture to keep each other safe.



# Stakeholders tell us

As our industry puts a significant focus on building a more sustainable world, the health, safety and wellbeing of our employees and the communities in which we operate, continues to be a key priority. As a founding member of the GCCA, CRH is helping to lead industry collaboration and best practice to address challenges collectively and shape opportunities for our industry to lead the way."

#### Thomas Guillot

CEO, Global Cement and Concrete Association - GCCA

Policie

**Click here** for our Health and Safety Statement of Policy



# Strengthening our safety processes

At CRH, we understand that maintaining a safe and healthy workplace isn't just good for employees and contractors, it is also good for our business. Implementing a robust health, safety and wellbeing management system improves morale, fosters teamwork, increases productivity, reduces absenteeism, enhances job satisfaction and strengthens engagement.

## Key achievement \$300m invested in health

and safety over the last five years

## Case studie

Click here to find out more information about our approach to safety on <u>crh.com</u>

## Effective safety management

To continuously improve safety, our businesses have developed a single safety vocabulary through the CRH Life Saving Rules, which set out clearly defined safety methodologies. procedures and controls, as relevant to their activities and regions. As a result, 100% of our operations have a robust safety management system in place. In 2021, 54% of locations in Europe were certified to OHSAS 18001/ ISO 45001, with the remainder using different broadly comparable systems. In the US, we comply with the safe systems set out by the relevant safety authorities and also have developed award-winning programmes, setting new health and safety standards across our industry. Group construction safety protocols continue to be integrated into the day-to-day operations at relevant operating companies to address challenges that can occur during construction projects.

We carry out a comprehensive annual review of the health and safety performance of all our operating companies. Review findings are reported to the SESR Committee and are fed back to our operating companies through our network of safety officers. Safety is on the agenda at every SESR meeting and there are regular safety calls with management and monthly reporting of safety performance to the Board and management.

To drive continuous improvement, we implement a global safety audit programme across our operations. In 2021, 92% of our 3,235 locations were audited for safety by either internal safety managers or external agencies. Breaches of safety procedures are subject to investigation and potential disciplinary action.

100%

100%

100%

Safety management 2021

(% operating companies)

Accidents investigated

Near misses recorded

Safety meetings

## Employee safety management 2021 (% operating companies)



#### + Safety

## Managing risks

We focus on eliminating hazards at source, carefully planning our activities, identifying potential hazards through risk assessment, managing risks and investing in necessary areas for improvement. A hierarchy of control approach is followed, with the preferred control being to eliminate the risk. Where issues are identified they are mitigated or remediated.

## Investing in safety

Over the last five years we have invested over \$300 million in all aspects of health and safety. In 2021, as well as our continued focus on contractor safety, we invested further in mobile plant safety, machinery guarding, improvements in platforms and fall protection measures, electrical system upgrades, pedestrian/mobile plant segregation as well as noise and dust reduction initiatives. In addition, we continued to invest in the necessary measures to protect against COVID-19.

Safety is a core value and we focus on developing this value with our employees, contractors and other stakeholders through key initiatives, including senior leadership interactions, human performance programmes and cultural assessments.

Furthermore, road and transport safety is an ongoing priority at CRH. We continue to invest in robust controls and technologies, such as telematics and advanced warning systems, together with training and monitoring of employees and contractors, to ensure safe driver behaviours.

## Collaborating for safety

We take a leadership role in safety discussions with peers and the wider industry. We are a member of the Global Cement and Concrete Association (GCCA) and regional industry associations including CEMBUREAU, the European Cement Association and the National Asphalt Pavement Association (NAPA) in the US. Through these partnerships and others, we continue to have a positive impact on increasing global standards of safety among suppliers, contractors and industry in general. For example, we are working with the GCCA to develop transport safety protocols with the aim of improving road safety.



#### Case study

In striving to minimise the risk posed by transport safety, a Transport Safety Roadshow was rolled out across our Europe East locations. The roadshow gave truck drivers and safety and transport managers the opportunity to experience the enhanced safety features offered by the Econic truck.

and

# Driving our ambition of zero harm

We continue to drive our ambition of zero harm through embedding a culture of safety and wellbeing in our business, strengthening our safety performance, and empowering employees to act. Our efforts to offer our employees and contractors a safe and healthy work environment underscores our commitment to UN SDGs 9 and 11, as we help to create safe and sustainable cities.

1

## Key achievement

94% of our locations were accident-free in 2021



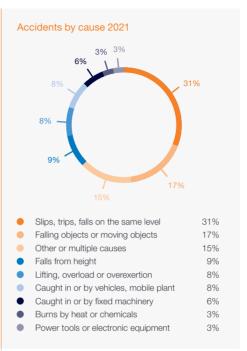
## Reducing accidents

We use our reporting systems to track and identify potential risks resulting in clear actions to remedy any safety issues that may arise. As evidence of our ongoing progress. our accident frequency rate and severity rate have reduced by an average of 8% and 7%, respectively per annum over the past decade. In 2021. 94% of locations recorded zero accidents, similar to the previous year. The accident frequency rate in 2021 was 1.2 lost time accidents per million work-hours. The main causes and types of accidents in 2021 are similar to previous years and highlighted in the graphs on this page. All incidents are investigated and any incidents with a high potential to cause injury or harm are prioritised and mitigation measures are put in place.

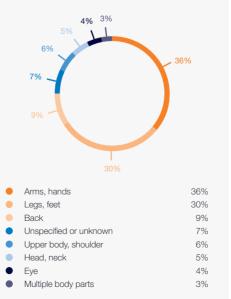
## Targeting zero fatalities

Eliminating fatalities is our highest priority, demonstrated by our sustainability target of zero fatalities in any year. The mandatory CRH Life Saving Rules focus on the top causes of fatalities including contractor management, vehicle movements, falling objects and failure by individuals to abide by established plant isolation (Lock Out/Tag Out) procedures.

While achieving our target of zero fatalities is an ongoing challenge, we are committed to maintaining our relentless focus to realise this goal. We deeply regret to report that one employee fatality occurred at one of our facilities in 2021. In addition, three road traffic accidents resulted in one contractor and two third-party fatalities. We extend our sincere sympathies to their families. We thoroughly investigate all fatalities to understand the events involved and required actions to prevent future incidents. The findings of these investigations are communicated across our operating companies and shared with the wider industry, with the goal of preventing future accidents through lessons learned. We use other internal KPIs, such as recordable incidents and near miss reporting, to help drive performance.



#### Accidents by injury type 2021



## Frequency rate (Number of lost time accidents per million work-hours) 2021 1.2 2020 1.4 2019 Zero accident locations (% of locations) 2021 94% 2020 94% 2019 94%



#### Case study

We take a holistic approach to our sustainability priorities, striving to promote a safer and more inclusive workforce. In 2021, Tarmac, part of our Europe Materials Division, gathered employee feedback on their range of women's personal protective equipment (PPE) to develop and improve the standard of PPE for women across the construction industry.

# Empowering our people to make safe decisions

From specialised safety training, to innovative workshops and safety awareness campaigns, we give our employees and contractors the tools, training and resources needed to ensure their safety and that of those around them. Everyone at CRH has the authority to stop unsafe work on a no-reprisals basis.

## Driving excellence in safety

Safety is incentivised where appropriate through recognition and in bonus structures. Excellence in safety performance is recognised through internal safety award schemes at business unit and regional levels. The CRH Life Saving Rules are supported by various regionspecific communication programmes that use a variety of channels to reach employees, including video, social media, safety alerts and toolbox talks to raise awareness of safe working practices.

We have regular safety meetings, carried out through a combination of in-person and online interactions. The number of employees involved in formal joint management/worker safety dialogue meeting was 73% similar to the previous year. Safety remains an integral part of discussions with trade unions, covering topics such as safety initiatives, COVID-19 mitigation plans and ongoing fatality elimination.

## Health and safety training

We take a holistic approach to safety training, using customised training techniques including on-the-job training, technology platforms such as virtual reality and classroom training, delivered in all relevant languages. In addition, our frontline leadership and senior management development programmes include strategic safety modules to ensure our commitment to safety is integrated into all levels of the business.

To reflect new ways of working, we have adapted our training programmes to include a combination of in-person and online interactions. In 2021, employees completed a total of 1.5m hours of health and safety training, an average of 20.0 hours per employee across all categories.

## Ensuring contractor safety

We employ large numbers of contractors to carry out many different tasks, such as carrying out specialised work, supplementing labour requirements and delivering products. However, direct control over contractor processes and safety training is an ongoing challenge. To address this, our businesses have robust safety management systems in place, carrying out pre-qualification checks and safety induction training before the contractors come on site. This ensures that any potential risks on site are communicated clearly. These management systems require all contract employees to have the relevant training and gualifications to carry out the job safely. Our 'no-compromise' approach to contractor safety includes disciplinary measures where performance falls below expected standards.

In 2021, we completed over 194,300 contractor transport safety checks to ensure that our work with contractors, contractor equipment and training comply with our rigorous safety standards. In addition, in 2021, over 1,750 contractor disciplinary actions were recorded and addressed, demonstrating our robust approach.

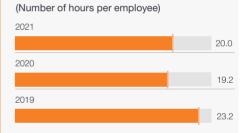
# Managing supplier safety standards

When suppliers enter our sites to deliver products, they are expected to comply with our safety requirements. However, ensuring rigorous safety standards within our supply chain is more difficult to influence, and we identified this as one of our salient human rights issues. To address these challenges, our procurement processes, including monitoring, risk analysis and third-party auditing, to ensure that supplier safety is a core part of our supply chain management (see page § 55 for more information).

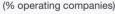
## Meeting customer expectations

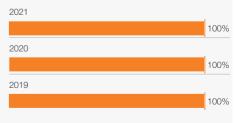
Customers trust us to provide them with safe, high-quality products. All our products are designed and manufactured to be safe for their intended use. We monitor customer feedback and work closely with regulators, standardsetting agencies and academic institutions to improve the safety standards of our products and services. In addition, we share safety information, including safety data sheets and Health Product Declarations, with our customers. Our dedication to product safety, as well as our strong safety performance, has enabled us to win tenders with customers that integrate high standards of safety into their own assessments.

#### Safety training









## CRH Hotline

Click here to find out more information on our CRH Hotline on <u>orh.com</u>, available to all stakeholders to report any safety concerns



# Promoting physical and mental wellbeing

We want to create a place for employees and contractors to thrive. With the support of leaders across the business our aim is to promote a safe and healthy work environment, paying attention to both physical and mental wellbeing. This drives our ambition to positively impact the lives of those who work with us.

## Ensuring employee wellbeing

We continue to increase employee health and wellbeing initiatives and programmes across our operating companies, providing incentives, tools, support and strategies on physical and mental health. This includes optimising ergonomics, providing regular health screening, reducing noise impact, reviewing occupational hygiene and developing programmes focused on employee mental health. Employees can access these programmes in different ways, including face-to-face consultation with a medical professional, through a confidential helpline, or through an online service.

In 2021, 99% of operating companies had health and wellbeing programmes in place. These focused on issues such as smoking cessation, stress reduction, diet, nutrition, fitness, weight management, vaccinations and drug and alcohol awareness. Any feedback that is received is integrated into the improvement processes to further develop these wellbeing programmes. In addition, 92% of operating companies also offer assistance with employee health insurance.

## Mitigating health risks

We manage specific health risks associated with the building materials industry. These include occupational noise levels, airborne dust and the potential for respirable crystalline silica (RCS), which, if not controlled, can cause long-term health issues.

We use the hierarchy of controls to reduce employee's exposure to dust and RCS. In addition, we work with our employees and contractors to ensure they are aware of the potential health risks associated with exposure to RCS in order to change attitudes and behaviours. We share best practice across the industry through our membership of various trade associations to reduce exposure across the industry.

Workplace monitoring of noise, dust and RCS is ongoing across CRH, in accordance with best practice and local or national requirements. A very low incidence of occupational illness cases was recorded in 2021.

## Championing mental wellbeing

At CRH, we are committed to fostering an inclusive working environment that supports our people at all times. We know that looking after our mental health is just as important as looking after our physical health. Therefore, we want to help break down the stigma around mental health by encouraging our employees to have conversations about this important topic. This ambition is supported by our leaders across CRH. As part of the initiatives associated with World Mental Health Day, for example, our Chief Executive emphasised the importance of supporting each other and having open conversations about mental health.

To promote the importance of this topic across our businesses, many of our operating companies are providing mental health support services for employees, to help address any issues they or their colleagues, friends or family may be having.

For example, Tarmac, part of our Europe Materials Division in the UK, is a Business Champion of 'Mates in Mind', a charity set up to encourage discussion about mental health in the construction industry. Through this partnership, Tarmac has rolled out a training programme for employees and key managers to raise awareness of mental health issues. Tarmac, like many of our operating companies, also provides support through its Employee Assistance Programme (EAP), a free, confidential, independent helpline offering advice and support that is available to all employees and immediate family.



#### Case study

With 85% of CRH employees being men, we participated in the 2021 'Movember' campaign. The campaign sees men around the world discussing and fundraising for men's health issues throughout November. Irish Cement Platin, part of our Europe Materials Division, played their part by growing moustaches to raise awareness for prostate cancer, testicular cancer and men's mental health.

Key achievement

99% of operating companies had health and wellbeing programmes in 2021



Click here to find out how we are collaborating for health and wellness in our communities



+ Environment

# Environment



# "



As the global discussion around climate change intensifies, the need to advance low-carbon technologies, promote biodiversity and drive a more circular economy has never been more apparent. As a leader in our industry, we are committed to reducing the impact of construction on our world and paving the way towards a net zero economy.

Livonia Mitchell, Business Executive, Strategy, Sustainability & Innovation



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Image: Demonstrating our commitment to environmental excellence, Stoneco, part of our America Materials Division, has installed a number of butterfly gardens across its facilities in Michigan which are designed to enhance natural habitats. The butterfly garden at the Maybee location was awarded a conservation certification from the Wildlife Habitat Council.

# Driving actions for carbon neutrality

Climate change is one of the defining challenges of our time. Strong action needs to be taken to reduce the risks of climate change and protect the lives of people and wildlife. As the leading building materials business in the world, we are committed to being part of the global response to climate change. We continue to strive for further improvements in direct and indirect emissions reduction across our businesses.

## Disclosures Click here to read more information on our



## Reducing climate impacts

At CRH, addressing climate change is a cornerstone of our approach to sustainability and our efforts to date have led to significant progress.

Our ambition is to be carbon neutral along the cement and concrete value chain by 2050, underpinned by a strategy to grow and improve our business in a sustainable and responsible way. To further drive our ambition, our emissions reduction targets have been approved by the SBTi as consistent with levels required to meet the goals of the Paris Agreement. We have also joined the Business Ambition for 1.5°C initiative, which aims to achieve net-zero global emissions by no later than 2050 in order to limit global warming to 1.5°C.

To accelerate our decarbonisation efforts and meet our 2050 ambition, we have developed a carbon reduction roadmap. This includes accelerating the roll out of proven technologies, as well as embracing multiple breakthrough technologies. Some of these technologies are well known but require further scaling-up and the right policy environment. Others require further research and development before they can be implemented across production processes. Read more about how we are delivering continuous improvements across our operations and innovating for carbon efficiency on page 31.

## Carbon pricing

Carbon pricing is a market-based mechanism that puts a price on carbon emissions as a means of encouraging emissions reduction and incentivising low-carbon investments.

Of our direct  $CO_2$  emissions, 43% are covered by an emissions trading scheme. In assessing capital investment projects, we use an internal carbon price mechanism which considers the context of the project, including geography and expected lifetime.

## Climate governance

Matters relating to climate change are dealt with at the highest levels of CRH, and throughout our operating companies in a strategic and collaborative way. Climate change falls under the management responsibility of the Group Chief Executive and the dedicated Safety, Environment & Social Responsibility (SESR) Committee of the CRH Board and is a key objective in our Environmental Policy (see page 🗎 67).

The SESR Committee oversees, on behalf of the Board, policies, processes and strategies designed to manage potential risks and opportunities associated with climate change. In reports to the SESR Committee, matters relating to climate change are included as standalone items on the agenda. Read more on our sustainability governance on page a 64.

## Climate risk disclosure

Ensuring the transparency and understanding of climate-related risks and opportunities across our industry is key to meeting the goals of the Paris Agreement and UN SDG 13: Climate Action. At CRH, we have a long history of reporting on our climate performance. We continue to actively engage with multiple organisations and platforms around carbon disclosure.

We are a long-time supporter of CDP, formerly Carbon Disclosure Project, and our 2021 CDP Climate questionnaire was awarded a score of A-.



We have further advanced our disclosures in line with the Financial Stability Board's 'Task Force on Climate-related Financial Disclosures (TCFD) standards, as detailed in our 2021 Annual Report, available on crh.com.

## Climate action

# What are the challenges and how are we managing them?

Climate change and the transition to a low-carbon economy poses both risks and opportunities for our business. Achieving our ambition of carbon neutrality along the cement and concrete value chain by 2050 will mean limiting fossil fuel use at every point in our supply chain and repurposing society's waste materials as alternative fuels and materials. We are fully committed to being part of the solution to climate change by achieving carbon neutrality, managing climate risk and opportunities, and collaborating for positive change. We also recognise the contribution many of our products can make in both limiting the scope and combating the effects of climate change, as well as the ability of concrete to become a  $CO_2$  solution.



# Stakeholders tell us

In the search for ways to reach netzero, direct air capture of  $CO_2$  has enormous potential, but cost-efficient capture of  $CO_2$  is still a challenge. Collaboration with CRH allows us to pilot our transportable  $CO_2$  capture unit and showcase our technology in action. Such partnerships between international companies and climate start-ups are essential to further drive climate action."

Nick Oseyko, Founder and CEO, Carbominer

TCFD disclosures

Recognising the need for transformation across the building materials value chain, we are committed to further reducing our emissions and ensuring that the vital products we provide can be delivered on a net-zero basis by 2050.

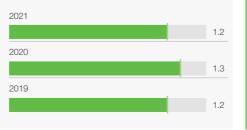
## Carbon targets

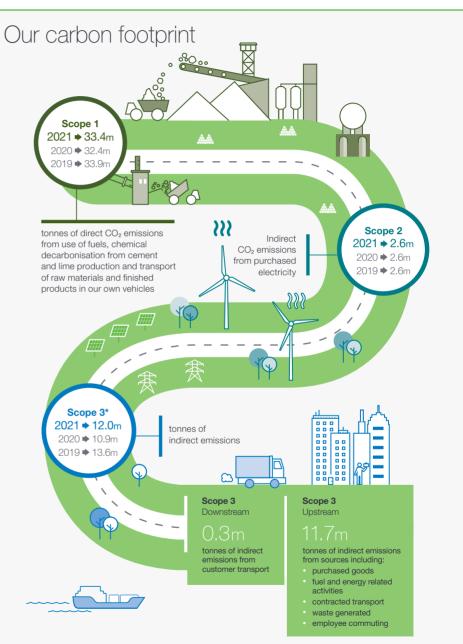
At CRH, we recognise the contribution that we can make to society as we strive for carbon neutrality along the cement and concrete value chain by 2050. To achieve our ambition, we are working hard to reduce emissions from our activities and processes.

Our commitment to taking action is evidenced by our recently adopted SBTi approved target for a 25% absolute reduction in group-wide Scope 1 and Scope 2 CO<sub>2</sub> emissions by 2030 (on a 2020 baseline). This is supported by our accelerated target for our cement plants to reduce emissions to 520kg CO<sub>2</sub>/tonne cementitious product by 2025 (formerly 2030), compared with 1990 levels (777kg CO<sub>2</sub>/t). We also continue to focus on the reduction of Scope 3 emissions.

With increased activity in many of our markets, as COVID-19 disruptions eased in 2021, our Scope 1 CO<sub>2</sub> emissions increased. Our kg CO<sub>2</sub>/\$ decreased, and we maintained our CO<sub>2</sub>/tonne cementitious product at 586 kg. Read more about how we are continuing to drive our emissions reduction targets on page  $\cong$  29.







For reporting CO<sub>2</sub> emissions we use the Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard, WBCSD/ WRI 2004, World Business Council for Sustainable Development and World Resources Institute 2004 revised edition. Please refer to the 'Calculation Methodologies' on page 🗎 66 for more detailed information. \*Reported Scope 3 emissions include the most relevant emissions categories for CRH operating company activities.

### Key achievement

CRH has had its emissions reduction targets approved by the Science Based Targets initiative (SBTi)



Continued

To meet our carbon reduction objectives, we are reducing direct and indirect emissions in our production processes through the implementation of  $CO_2$  reduction levers.

## New sources of energy

We continuously strive to replace carbon intensive fuels with carbon neutral biomass and non-fossil fuels, such as solid recovered fuels (SRF), waste tyres, solvents and used oil. However, wider adoption of alternative energy sources depends on the emergence of even more efficient renewable technologies.

Many of our operating companies are developing new technologies and processes that allow us to recover energy from alternative fuels and increase the volume of co-processing materials from other sectors. For example, by applying optimised alternative fuels technologies, one of our US cement plants has saved approximately 40 kg  $CO_2/tonne$ cementitious product, which is approximately 50,000 tonnes of  $CO_2$  per year.

We are also evaluating new sources of energy, such as hydrogen. For example, Tarmac, part of our Europe Materials Division in the UK, is participating in a project with a goal of reaching net-zero emissions, by using hydrogen as a fuel and the capture, transport and storage of  $CO_2$  emissions.

In 2021, our subsidiary cement plants used 2.1m tonnes of alternative fuels, providing 33% of fuel requirements for our cement plants, 50% in the European Union alone.

# Contributing to the circular economy

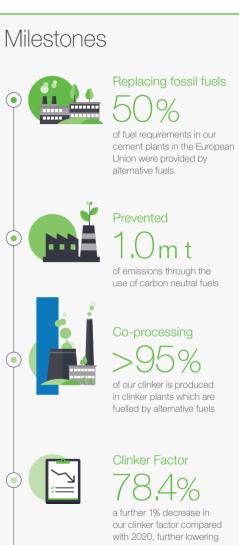
Waste materials and by-products from other sectors serve as valuable raw materials to replace a portion of the finite virgin materials or clinker used in our cement manufacturing. These coprocessing materials currently include fly ash, ground granulated blast-furnace slag (GGBS) and quarry overburden.

In 2021, we used a total of 8.0m tonnes of alternative raw materials in our subsidiary cement plants. Our ambition is to further reduce the proportion of clinker in each tonne of cement through a variety of levers, including increasing our use of alternative materials. For example, Ash Grove, part of our Americas Materials Division, has developed Duracem® F, a cement fly-ash combination with a carbon footprint approximately 20% lower than traditional cement.

We are also researching new clinker replacement technologies. For example, one of our plants in the US is trialling calcined clay technology, which involves substituting a portion of clinker with activated clay during the manufacture of cement. This enables the plant to reduce its clinker factor, leading to reduced  $CO_2$  emissions. You can find more information on how we are contributing to the circular economy on page 49.

Alternative materials used in CRH cement plants 2021 (total: 8.0m tonnes)

GGBS	
	44%
Industrial by-products	
	23%
Fly ash	
	17%
Soils	
	12%
Internal by-products	
	4%



our clinker factor compared with 2020, further lowering the carbon footprint of our cementitious products

# Virgin Material Replacement

of alternative raw materials used in cement production

#### Disclosures

Click here to read more information on how we are contributing to the circular economy



# nass doil

Alternative fuels used in CRH cement plants

68%

29%

3%

2021 (total: 2.1m tonnes) SRF, tyres and other non-blomass

## closures

Continued

At CRH, we are fully committed to helping our industry play its part in driving climate action. To keep producing highquality products with minimal emissions, it is critical that in this decade we accelerate the required breakthrough technologies and ensure the right resources and policies are in place to deliver our ambition of carbon neutrality.

## Carbonation

We are a global leader in concrete, the world's most sustainable building material when evaluated on a life-cycle basis. Concrete reabsorbs a significant amount of  $CO_2$  over its lifetime in a process known as carbon uptake or carbonation.

Carbonation occurs when lime in the concrete reacts with  $CO_2$  from the air and forms calcium carbonate. At the end of their useful life, buildings and infrastructure are demolished. When crushed, the exposed surface area of the concrete increases, which increases the carbonation rate.

Up to 25% of the CO<sub>2</sub> emitted during the manufacture of cement can be reabsorbed by concrete along its life-cycle. In France, we are a participant in FastCarb, which aims to design an accelerated carbonation process for recycling end-of-life concrete into aggregates. As well as providing a carbon sink, the process improves the quality of recycled concrete aggregates, which conserves resources and contributes to the circular economy.

We are also involved in research, development and trials of technologies that inject  $CO_2$ into the concrete mix during the production of concrete products, or cure specialised concrete mixes in a  $CO_2$  atmosphere, which permanently and safely stores  $CO_2$ .

## Carbon capture

Carbon capture technologies allow the capture of  $CO_2$  before it is released into the atmosphere. The captured  $CO_2$  can be used in industrial processes or transported and permanently stored underground. We are involved in collaborative initiatives and research projects to progress carbon capture, utilisation and storage (CCUS) solutions.

For example, at one of our cement plants in Canada, we are piloting the use of accelerated carbonation technologies to combine byproducts, such as cement kiln dust (CKD), with  $CO_2$ . In a process known as mineralisation, where  $CO_2$  is permanently captured in building materials, CKD reacts with  $CO_2$  and water to form aggregates. On an annual basis at one plant, this can absorb up to 2,800 tonnes of  $CO_2$  while producing up to 30,000 tonnes of aggregates. We are evaluating this technology at several other plants globally.

We are also a participant in LEILAC, Low Emissions Intensity Lime and Cement, a European Union Horizon 2020 project. This involves developing a breakthrough calciner that allows the separation and capture of 95% of the  $CO_2$  released from limestone in the clinker production process. We are actively engaging with the LEILAC 2 project to support the development of the technology on both the cement and lime side of our business.

new Amsterdam Office

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## Advancing innovative solutions

At CRH, we believe sustainability is an opportunity for innovation, growth and longterm value creation. Together with academia and partners in the cement and concrete industries, the CRH Innovation Centre for Sustainable Construction (ICSC) is working to build sustainability awareness across the construction sector through projects including carbon capture and utilisation, nanomaterials, artificial intelligence (AI), Building Information Modelling (BIM) and renewable energy.

To further drive innovation, the ICSC has established a dedicated laboratory in Amsterdam for advanced research on sustainable building materials to help develop building products with an improved environmental performance and reduced carbon footprint.



#### Case study

The CRH Innovation Centre for Sustainable Construction (ICSC) team provide expertise and leadership to identify and analyse global, market and construction trends and new growth opportunities and maximise the value of sustainable innovation. In addition, the ICSC is participating in an Open Innovation Platform to support start-ups that can offer sustainable solutions to our industry.

### Case studi

Click here to read more information about how we are collaborating with our customers for climate action



Continued

As the leading building materials business in the world, we have a responsibility to develop innovative building solutions across all of our activities. We are focused on reducing emissions from our operations and making our transportation and logistics more fuel-efficient. These efforts ensure we are continuously driving down our carbon footprint and helping to address climate change.

# Developing sustainable building solutions

To overcome global challenges, we need to develop innovations based on sustainability. We are currently partnering with a low-carbon cement technology manufacturer to pilot new technology that would allow a 30-40% reduction in CO<sub>2</sub> emissions during the manufacture of our cement products. The cement type produced can be used in concrete mixes that can be cured using CO<sub>2</sub>, creating a carbon sink.

It is also important to consider how our products are used in the built environment. Working with our customers, we have applied innovative digital construction technologies and carbon management processes to reduce the embodied and operational carbon footprint of individual structures.

## Driving transport efficiencies

We are committed to investing in innovative and sustainable solutions for our logistics, and delivering a sustainable transport model across road, rail and water. Of our transport of products by road, 25% is by our own trucks, with the remainder transported by contractors or customers. In 2021, we maintained our fuel usage in our own company trucks at 157 million litres (2020: 157 million litres).

We continue to focus on optimising routes, reducing fuel consumption and moving to more fuel-efficient transport. Overall, 71% of operating companies (representing 94% of total product delivered) have initiatives in place to optimise transport use, including GPS route planning, load optimisation, fleet management, engine idling alerts and maximising backloading.



#### Case study

Our Innovation Centre for Sustainable Construction (ICSC), located in Amsterdam, has invested in a state-of-the art laboratory for the testing of materials and technologies relating to  $CO_2$  usage. This specialised R&D laboratory highlights our commitment to developing sustainable solutions for carbon capture and utilisation and our continued drive to tackle the challenges of climate change.



#### Case study

Many of our operating companies are driving the transition to renewable energy by investing in more energy efficient transport. For example, Tarmac, part of our Europe Materials Division in the UK, is partaking in the EV100 scheme and welcomed the first fully electric van to its traffic management fleet in Birmingham in 2021.

## Targeting sustainable transport

For example, our Americas Materials Division has incorporated innovative GPS tracking technology into product delivery, which feeds information between the hot-mix asphalt plant and the paving train to streamline deliveries. This technology reduces the environmental impact of transport and saves tens of millions of dollars each year.

Our operating companies have established fleet fuel reduction targets and endeavour to make use of fuel-efficient rail, boat and barge transportation where possible. In addition, many of our operating companies are leading the transition to using renewable energy to power their transport fleets.

For example, Tarmac, part of our Europe Materials Division, was the first company in its sector to sign up to EV100 – a global initiative bringing together businesses committed to accelerating the transition to electric vehicles. Through this initiative, Tarmac has committed to transitioning its fleet of corporate cars and vans to electric vehicles by 2030. This pledge is the latest in a series of steps that Tarmac is implementing across its business and supply chain to improve carbon efficiency and achieve a more sustainable built environment.

## Key achievement

>60 research projects ongoing across the Group, in partnership with the industry and academic institutions to develop new and innovative technologies

# Collaborating for climate action

As we look ahead to the next decade, it is clearer than ever that we need to design for resilient construction as society continues on its journey towards net-zero emissions. Achieving this requires collaboration across governments, industries and society to develop the solutions needed for a more climate-resilient world.

## Climate policy positions

For the buildings and construction industry to align with initiatives such as the European Green Deal and deliver CO<sub>2</sub> emission reductions, it will require support and funding from governments across a range of policy areas. This includes investments in low-carbon technologies, robust emissions trading systems that protect against carbon leakage, sufficient access to alternative fuels and materials, and the development of progressive policies to encourage the use of renewable energy.

At CRH, we see the risks, the opportunities and the need for informed policy action. We recently published our policy positions around climate lobbying, outlining our stance on climate-related topics and the drivers we believe are necessary for society to achieve the Paris Agreement.

## Commitment to responsible climate lobbying

Responsible corporate lobbving is a key principle underpinning our interactions with policymakers both directly, and indirectly through industry associations, in relation to all aspects of CRH's business, including climate change.

We recently carried out a review of our climate lobbying practices and related disclosures to ensure they align with the expectations of our stakeholders. Read more about our climate lobbying review and positions on crh.com.

## Collaborating to achieve carbon neutrality

We believe we can play a major role in building the sustainable world of tomorrow, however we cannot achieve this alone. We must collaborate with policymakers, governments, investors, researchers, innovators, customers and end-users to drive the appropriate response in tackling climate action. Here we profile some of the industry associations we work with as we collaborate for climate action.



The Global Cement and

Concrete Association (GCCA)





The Concrete Sustainability Council (CSC)

**ERMCO** 

The European Ready Mixed

Concrete Association (ERMCO)

The World Business Council for Sustainable Development (WBCSD)

America's Cement Manufacturers™

The Portland Cement

Association (PCA)

# NSSGA

NATIONAL STONE, SAND & GRAVEL ASSOCIATION

The National Stone, Sand and Gravel Association (NSSGA)

of Canada (CAC)

EuLA

EuLA, the European Lime

☆☆

Association

CO₂ VALUE EUROPE



The National Asphalt Pavement Association (NAPA)



The National Ready Mixed Concrete Association (NRMCA)

Click here to find out more information about our commitment to responsible climate lobbying on crh.com



The Cement Association CO<sub>2</sub> Value Europe



CEMBUREAU, the European Cement Association



# Optimising energy efficiencies

One of the challenges facing society today on the journey to carbon neutrality is the need to decarbonise global energy sources and increase energy efficiency and conservation. We are continuously rethinking our production processes to deliver sustainable reductions in energy use and emissions and mitigate the effects of climate change.

## Key achievement

Almost three quarters of our businesses, representing 99% of energy use, have set energy reduction targets.

## Targeting energy reduction

In 2021, energy use across our operating locations totalled 57.0 TWh (2020: 54.8 TWh). Almost three-quarters of our businesses (representing 99% of energy use) have set energy reduction targets and programmes. As a result of these efforts, we saved approximately 168 GWh of energy in 2021.

## Investing in renewable energy

At CRH, we are actively targeting an increase of renewable electricity across our operations. In 2021, we purchased 1,669 GWh of 'green' electricity from external suppliers. Our overall use of renewable electricity has increased by 102% in the past 5 years and approximately 25% of our electrical energy is met from renewable sources.

We are increasingly focused on procuring power from renewable sources through our renewable energy purchasing team and by partnering with organisations to install renewable energy sources, such as solar and wind. For example, Leviat, part of our Building Products Division, installed a 36kW Solar PV System at its production site in Melbourne, Australia. This solar installation will reduce reliance on the national grid and prevent 52 tonnes of  $CO_2$  annually.

In addition, an increasing number of our operating companies are joining our "CRH 100% Club", where 100% of the electricity used in their processes comes from renewable sources. A leader in our CRH 100% Club is Tarmac, part of our Europe Materials Division in the UK, continues to precure 100% clean electricity across the whole business, which allows all of its sites across the country to use electricity supplied entirely through clean UK-based wind and solar sources. In addition to using renewable energy in our processes, our products are essential in constructing the foundations for solar and wind energy installations.

## Improving energy efficiencies

We have a relentless focus on improving energy efficiency. In 2021, we spent over \$1.5 billion on energy. Our performance teams are continuously driving energy efficiency and have developed roadmaps to improve energy performance. This is relevant to our cement and lime activities, which accounts for 78% of our energy use.

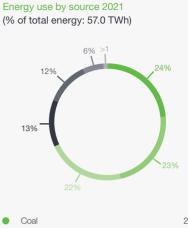
In Europe, 775 of our locations have certified ISO 50001 Energy Management Systems, with 69% of our materials operations in Europe having certifications in place in 2021. This certification is not common in other regions of the world, and we apply relevant systems as appropriate.

Our operating companies consistently strive to identify and implement energy-efficiency projects. For example, as part of its energy reduction programme, Roadstone, part of our Europe Materials Division, in line with its company-wide energy management certificate, has installed more energy efficient crushers at its production sites to reduce overall energy demand.



#### Case study

Jura Materials, part of our Europe Materials Division, is enhancing its energy efficiency by optimising geothermal power generation. The Organic Rankine Cycle (ORC) Plant at its Wildegg location recovers waste heat that can be used as a power source. This valuable process results in electricity savings of 15% in in its cement operations annually.



	Coal	24%
	Natural gas and LPG	23%
	Used oil and alternative fuels	22%
	Electricity	13%
	Petcoke	12%
	Diesel and oils	6%
	Others	<1%

#### Energy use by activity 2021 (% of total energy: 57.0 TWh)

Cement	
	71%
Materials	
	18%
Lime	
	7%
Concrete	
	3%
Building products	
	1%

# Driving our environmental performance

As a leader in our industry, we have a long-held commitment to improving our environmental footprint. We integrate environmental considerations into our key business decisions so that we can minimise our potential impacts and protect the environment in the locations and communities where we operate.

## Maintaining our high standards

Our Environmental Policy (see page 67) ensures that we maintain high standards of environmental protection across our organisation and demonstrates our commitment to implementing and exceeding best practices concerning environmental issues. We apply this policy across all operating companies, and we are well practiced at integrating mergers and acquisitions into our environmental management processes.

The Board has designated the SESR Committee with responsibility for monitoring developments in environmental impacts and opportunities and for ensuring our Environmental Policy is implemented in all business lines. Our location managers are accountable for the effective day-to-day implementation of the Policy across all our operating locations. They are supported by a strong network of experienced environmental managers who engage with each other and regional and internal specialists to share best practices and experience.

We internally monitor implementation of our Environmental Policy and requirements through our annual Environmental Review data collection process, aiming to link these KPIs to the value we create for our business and wider society.

## Managing environmental risks

The building materials industry is, by nature, an environmentally intensive sector and we strive to comply with all applicable environmental regulations and permits required to minimise or eliminate negative impacts on the environment. We require all our operating companies to establish appropriate environmental management systems (EMS), in line with local environmental permit requirements.

In 2021, 878 operating locations were certified to ISO 14001 EMS standards and 95% of our subsidiary clinker plants were ISO 14001 certified. We are proud to have achieved our 2020 target for 90% of relevant businesses to have a permitted or certified EMS.

## Ensuring compliance

We are pleased to report continued excellence in environmental compliance in 2021. During the reporting year, fines totalling \$32k were paid to regulatory authorities. These related to a number of minor issues, none of which caused significant environmental damage.

## Investing in our environment

We continuously invest in technology and efficiency projects across our operating companies to enhance environmental performance. In addition, we invest in the environmental component of major CAPEX projects across the Group. In 2021, our total environmental expenditure was \$207 million.

We continue to seek investment opportunities that could transform our processes and enable significant improvements in our environmental performance. New technologies will be required to reach our net zero ambition, however many of these are not yet commercially available. To address this gap, CRH will be establishing an innovation fund of \$250 million to support the development of new technologies, products, processes and customer solutions.

## Significant areas of environmental expenditure 2021 (total: \$207 million)

Emissions reduction	
	33%
Monitoring licensing and other operational expenses	
	21%
Waste management and reduction	
	17%
Restoration and biodiversity	
	12%
Reduction of water usage and discharges	
	9%
Increasing use of alternative materials and fuels	
	3%
Other	
	3%
Energy reduction and process optimisation	
	2%

Key achievement

\$207m invested in environmental initiatives in 2021

Polic







#### Case study

EQIOM, part of our Europe Materials Division in France, has partnered with a national nature conservation organisation to develop a bird observation hide at its gravel pit in Rouvres-en-Plaine. This collaboration highlights the important habitats that many of our locations incorporate and the ongoing biodiversity management processes in place to protect and enhance local habitats.

# Protecting biodiversity and heritage

As a large-scale landholder, we have a responsibility to continue to preserve and protect biodiversity across our locations, increasing the ability of ecosystems to adapt to daily threats and extreme events, and support the acceleration towards a nature-positive economy.

## 2030 Target

100% of relevant locations in sensitive areas for biodiversity to have a Biodiversity Management Plan by 2030

### Case s

Click here to read more information online about how we protect biodiversity

Extractive activities can create important habitats for rare species. We enhance these habitats through incorporating specific wildlife-led design features, such as providing structures suitable for the nesting of bats, birds, bees and other species. Other measures include suspending blasting during nesting periods and excluding specific areas from guarrying to preserve valuable habitats.

Targeting biodiversity

Protecting biodiversity is an important factor

At present, there are over 1,200 extractive

rehabilitation plans associated with permit

activities or site restoration planning.

operational sites across the Group.

when we consider new and existing extractive

Environmental impact assessments (EIAs) and

applications require biodiversity management

plans. In 2021, 507 of Group locations were

addition, 367 of these sites were within or

adjacent to sensitive areas for biodiversity,

90% of which have BMPs in place, exceeding

our 2020 target. We have now set a target for

biodiversity to have a BMP in place by 2030.

Enhancing natural habitats

To ensure the long-term productivity of our

operations it is important that we protect

biodiversity and natural capital across our

locations. As part of ongoing biodiversity

management, operating companies apply

the principles of the 'Mitigation Hierarchy', to

quality, the disturbance of birds, animals and

plants, and the fragmentation of biodiversity

corridors. We restore or rehabilitate disturbed

ecosystems and respect offsetting principles

by increasing biodiversity in other areas.

avoid and minimise potential impacts on water

100% of relevant locations in sensitive areas for

noted and managed for biodiversity. In

plans (BMPs) to be incorporated into mitigation

management

## Managing our impacts

We have a responsibility to ensure that all associated areas are restored or appropriately managed at end-of-use. In 2021, 100% of all relevant locations had restoration plans in place. This includes restoring biodiversity and ecosystems to pre-operational levels, where appropriate.

Restoration planning processes are carefully coordinated with appropriate permitting authorities, taking full account of the needs and concerns of local communities and stakeholders. While reinstatement and landscaping of quarries and pits is typically carried out close to completion of excavation activities, restoration is a continuous process, with the rate of reinstatement depending on the closure of excavation sites. In 2021, 728 hectares of quarry and pit area were reinstated.

## Preserving cultural heritage

We make it a priority to conserve local heritage. Prior to opening new extractive areas, our operating companies engage qualified archaeologists to survey the area. This is to ensure no identified or potential archaeological or geological features are at risk. We are currently preserving cultural heritage at 74 company locations as part of relevant management plans, from iron age structures to medieval buildings and archaeologically significant caves.

## Looking ahead

We have signed up to support Business for Nature's 'Call to Action', calling on governments to adopt policies to reverse nature loss in this decade. Looking ahead, we will further develop our biodiversity approach through collaborations with internal specialists and expert organisations (see page 🗎 36).

## Biodiversity, ecosystems, land use and quality

What are the challenges and how are we managing them?

There are complexities in measuring biodiversity impacts while monitoring changes to the surrounding ecosystems. However, businesses have a critical role to play in accelerating the nature-positive economy. At CRH, we have a responsibility to continue to preserve and restore biodiversity. By investing in nature-based solutions, we reduce our potential negative impact on nature and help develop the technology, innovation and resources needed to reverse nature loss.



# Stakeholders tell us

The fundamental solution to the biodiversity crisis is intact and healthy habitats supporting a diversity of plant and animal species. By restoring and managing lands and wetlands at quarries and other operations, CRH clearly illustrates how the sector should take action for nature and make positive contributions to global biodiversity targets."

Margaret O'Gorman President, Wildlife Habitat Council



## Collaborating for biodiversity

At CRH, we are committed to protecting biodiversity. Nature has no boundaries, and so we believe that collaboration and partnership is essential. We work with international and national organisations to pool our resources to drive best practices and connect our work to that of others to amplify positive impact. Examples of how we successfully collaborate for conservation solutions across our company locations are shown below:



### Canada

Ash Grove, part of our Americas Materials Division, partnered with Credit Valley Conservation to develop an action plan aimed at restoring and enhancing natural habitats at the Mississauga cement plant which are home to species such as the honey bee, which is an important species for enhancing natural wildlife in the area.

#### UK •

Tarmac, part of our Europe Materials Division, is working with stakeholders to implement a Biodiversity Management Plan (BMP) for Panshanger Park, a previously quarried site that is now being restored. The aim of the BMP is to protect and nurture diverse wildlife and habitats - including the Mimram river which is home to water voles.





#### Ireland

In 2021, biodiversity surveys and habitat mapping were carried out on the Irish Cement site in Limerick, part of our Europe Materials Division, where a rich variety of habitats, wildlife and plants were identified, including Ringed Plovers and Labyrinth spiders. These efforts will be used to enhance the Biodiversity Strategy for the site.

#### Finland •

Rudus, part of our Europe Materials Division, have been collaborating with the city of Hyvinkää and the Finnish Association for the Nature Conservation in the aftercare of their Suomies, Hyvinkää site. This partnership was part of Rudus' award-winning LUMO conservation programme which ensures that habitats are restored and managed to welcome biodiversity back to the landscape.



#### France

EQIOM, part of our Europe Materials Division, partnered with the Centre Permanent d'Initiatives pour l'Environnement (CPIE) Aisne to develop a biodiversity action plan to preserve the ecology at the Presles et Boves quarry. Species include 350 breeding pairs of bank swallows and 28 breeding pairs of European bee-eaters which reside in the quarry.

#### ••• Germany



Opterra, part of our Europe Materials Division, worked with local partners to develop a nesting aid plan to attract peregrine falcons to their sites. Peregrine falcons are known to nest in rocky areas and factory towers, which is why they are drawn to our site for breeding locations, as is the case for this young falcon.

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#### USA

Our Americas Materials Division has partnered with the Wildlife Habitat Council (WHC), a non-profit group that combines conservation and business, since 2004. One project which recently received gold certification from the WHC is the Booneville Pollinator Garden, established by Hallett Materials in West Des Moines, Iowa. The garden supports pollinators such as bees, butterflies and hummingbirds.

# Preserving air quality

Businesses have a responsibility to make their operations cleaner for the good of their employees, customers and the wider community. At CRH, we understand the impact that air quality can have on human health and the environment. We are committed to ensuring that we meet the strictest air emission limits so that our emissions do not adversely impact air quality.

# Monitoring our air emissions

The main air emissions that arise from our activities are dust, nitrogen oxides (NO<sub>x</sub>) and sulphur oxides (SO<sub>x</sub>). Dust emissions may arise from point sources, such as cement production stacks and can also appear as fugitive emissions from guarrying, open storage of materials, transfer of materials through uncovered conveyors, and from loading and unloading operations. NO<sub>x</sub> is formed during the combustion of fuels, and SO<sub>v</sub> from the oxidation of sulphur in raw materials, with only a small proportion from sulphur present in certain fuels. Other emissions, including dioxins, furans, volatile organic compounds and heavy metals, are released in very small or negligible quantities, and we are committed to ensuring that, where detected, levels are within applicable emissions limits.

Overall air emissions in 2021 were similar to the previous reporting year. Total stack emissions to air over recent years are shown on pages 70-71. We also report on our minor air emissions from cement manufacturing, and the association coverage rates of monitoring on page 171.

# Targeting air emissions reductions

We are committed to reducing the impact of our air emissions, not only for the sustainability of our business, but for the continued protection of our surrounding environment and communities.

We achieved our 2020 target one year ahead of schedule to reduce our  $NO_x$  emissions and dust emissions (both on a per tonne of clinker basis and using a 2006 baseline). Our continuing target is to ensure our specific major air emissions remain at low levels<sup>\*</sup>, and we met this in 2021.

## Investing in mitigation

We ensure that we are compliant with all local and national regulations for air quality, as well as meeting our air emissions reduction targets. We invest in modern abatement technologies and CAPEX projects, such as new baghouse filters, as well as ensuring regular maintenance of equipment at our manufacturing operations. Measures to control fugitive emissions include building enclosures for material storage and conveyor belts as well as paving plant areas and internal roads.

# Air quality and waste

# What are the challenges and how are we managing them?

The right to clean air is embedded in the Universal Declaration of Human Rights and fully enshrined in the UN SDGs. At CRH, as we play our part in supporting these commitments, it is our responsibility to ensure that there are no adverse impacts to air quality from our operations. We carefully manage and reduce the hazardous materials, waste and emissions from our operations. We continue to implement waste management programmes across our activities and invest in air emissions abatement technologies to reduce potential negative impacts. By driving these sustainability initiatives, we can have a positive impact on the quality of life for our local communities and the surrounding environment.



# Stakeholders tell us

Lue to the increasing use of waste-based substitutes, our customers are accelerating investments in environmentally friendly technologies. We are therefore developing targeted emission reduction systems, such as the RTO system at Jura Cement, a CRH company. With our environmental technology and energy efficient machinery and system offering, we see ourselves as enabling sustainable production in collaboration with our customers."

Dr. Jochen Weyrauch, CEO Dürr Group



#### Case study

JURA Materials, part of our Europe Materials Division in Switzerland, has built an afterburner plant at its Wildegg site, the first of its kind in Switzerland, and is scheduled to start operation in 2022. By using a regenerative thermal oxidation (RTO) system, the plant will enable a reduction in air emissions and help Wildegg comply with anticipated lower gas emission limits.

## Key achievement

We achieved our 2020 air emissions reduction targets one year ahead of schedule

\* Defined as not exceeding the three-year average for particulates, NO<sub>x</sub> and SO<sub>x</sub> specific emissions (g/t clinker) for relevant plants-

#### + Environment

# Delivering solutions for materials efficiency

The way our society uses natural resources is impacting our industry and contributing to the waste management challenges that communities are facing worldwide. To address these challenges, there is an urgent need to design for recyclability, improve waste sorting and develop the technology needed to convert expended resources into value-added materials to deliver solutions for resource efficiency.

## 2030 Target

95% of relevant businesses to have waste reduction or recycling targets in place by 2030

## Case st

Click here to read more information on our contribution to the circular economy



Using resources efficiently

From product design to responsible sourcing, resource efficiency is central to our business, as reflected by our focus on meeting the goals of UN SDG 12: Responsible Consumption and Production. Our activities give rise to a number of residual by-products, such as baghouse fines and cement kiln dust (CKD), as well as other internally sourced secondary materials, such as product off-cuts.

To reduce the waste generated from our processes, we maximise our reuse of these by-products in the production loop, largely avoiding disposal. For example, we use baghouse fines in asphalt mixes, delivering significant cost savings and reducing the quantity of raw materials used in production. In addition, we are piloting the use of CKD in carbon capture technology (see page a 30 for more information). In 2021, we diverted 3.1m tonnes of by-products from waste streams.



#### Case study

We are the largest recycler of building materials in North America. The roads paved by our operating companies contain approximately 25% recycled materials. For example, Gulf Coast, part of our Americas Materials Division in Texas, uses up to 40% recycled asphalt in its mixes.

## Managing our process waste

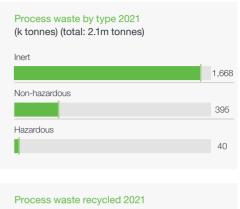
We are constantly striving to minimise process waste and improve waste management across our value chain. We are dedicated to complying, as a minimum, with all regulations concerning the safe and responsible management of waste materials. Our waste minimisation practices help to address growing resource scarcity and reduce industrial waste and emissions. This includes reducing the amount of process waste materials generated, especially hazardous materials, and enhancing process efficiency.

During 2021, 86% of the 2.1m tonnes of process waste generated by our operating companies was externally recycled. When waste from our production processes cannot be recycled internally it is sent to licensed facilities for recycling or final treatment. A small number of operating companies are permitted to landfill process waste on-site. These sites are operated strictly in line with permit requirements and reviewed on an annual basis. Furthermore, all operating companies take extensive precautions to prevent unauthorised waste disposal.

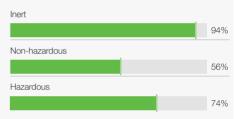
## Looking to the future

Developing the technologies and processes needed for the efficient reuse of certain byproducts in the most cost-effective way is an ongoing challenge for our industry. To address these challenges, we work closely with partners, such as the WBCSD and GCCA, to support the transition to a circular economy.

In addition, we have achieved our 2030 target for 95% of relevant businesses to have waste reduction or recycling targets in place. See pages 29 and 49 for more information on how we are promoting innovation in technologies that increase our use of alternative fuels and materials and contribute to the circular economy.







# Process waste by activity 2021 (% of total waste)

Materials	
	58%
Concrete	
	30%
Cement	
	7%
Building products	
	5%
Lime	
	<1%

# Promoting responsible water use

Access to safe and clean drinking water is essential to human wellbeing and is recognised as a basic human right. At CRH, we have a responsibility to lead our industry in protecting local water resources, promoting responsible water use and helping to ensure everyone has access to sustainable, clean water.

Key achievement

\$18m in wastewater treatment and water management expenditure, since 2015

### Case stud

Click here to read more information on our sustainable products



## Reducing our water use

We continuously aim to reuse and recycle water to reduce water withdrawal, discharge and wastewater treatment costs. An increase in innovations, such as closed-loop systems installed in manufacturing processes and increasing usage of water from settlement ponds, has resulted in operating companies reducing the amount of water intake from utility sources. In 2021, water was recycled at 910 of our locations, reducing our requirement from external sources of water intake by 56%.

## Water withdrawal and use

Water is an important resource for our activities, most significantly in the production of aggregates and to suppress dust across our extractive activities. Of our main water usage, 75% of our total water withdrawal is for our materials activities.

In 2021, our operating companies recorded an estimated water withdrawal of 116.3 million m<sup>3</sup>, a slight increase on 2020, 109.9 million m<sup>3</sup>. Water for process activities is often abstracted from several sources, not all of which may be metered. We are targeting improvements in water accounting across relevant activities.



#### Case study

Oldcastle Infrastructure, part of CRH's Building Products Division, is the industry leader in proprietary stormwater management systems. Solutions provided by Oldcastle Infrastructure, such as Nutrient Separating Baffle Boxes® and StormCapture®, facilitate stormwater storage, treatment and infiltration, providing much needed flood relief for infrastructural projects as extreme weather events become more frequent. We comply with stringent environmental regulations to ensure that our activities, in particular raw material extraction, do not endanger local surface water or groundwater. We ensure the high quality of discharged process water by using settling ponds and pH neutralisation systems. Water quality parameters can vary from site to site, depending on national or regional regulations, and taking into account the quality of the receiving water body. Some of our facilities operate their own wastewater treatment plants.

Water discharge can be difficult to quantify because of the contribution of storm water and limitations in metering. Our total water discharge in 2021 was estimated to be 29.5m m<sup>3</sup>, with 83% discharged to surface water and the remainder to public sewers and other. To avoid potential spills of polluting materials, we implement best practice in materials storage. Our policy is to decommission all unprotected underground storage tanks.

## Understanding our waterrelated risks

Uncertainties over water availability can be a risk factor in some regions. We have carried out an assessment using the World Resource Institute (WRI) Aqueduct Risk Atlas Tool, to identify and map potential water related risks at our operating locations. The assessment indicated that less than 1% of our active locations are identified as being in areas under "High" or "Extremely High" risk of drought severity.

The outcomes of this assessment confirm that our activities do not highly impact on water and that our locations generally do not operate in water-stressed areas. The WRI Tool allows for future scenario impacts of our existing operations, which we continue to include in our management systems for water use. We are also a long-term participant in CDP and were awarded an A- for our 2021 water security disclosures.

# Water

# What are the challenges and how are we managing them?

Withdrawal of water can impact the environment by lowering the water table, reducing the availability of water for other stakeholders and potentially resulting in negative economic and social impacts on local communities. At CRH, we recognise the need for action in response to the potential challenges facing water resources globally. We are dedicated to further developing our water management practices through reducing water use and increasing water recycling to help ensure access to clean water for all. In addition, our products contribute to good water management, such as our permeable paving products that mimic hydrological processes to more effectively manage urban stormwater run-off.



# Stakeholders tell us

Flooding and the risk of flooding is rising. Concrete is inherently resilient and the solutions offered by CRH are an essential part of the answer to help protect people and properties from flood risks nationally and regionally. It can also be designed to look good."

Elaine Toogood Head of Architecture, The Concrete Centre

# People



# "



With such a broad and rich mix of people, across so many cultures and geographies, Inclusion & Diversity is a natural priority for us. At CRH we are working hard to build an inclusive work environment where everyone feels a genuine sense of belonging and that they have equal opportunities to grow and progress.

Helen Hanamy Global Director of Inclusion & Diversity



### In this People section

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Image: As a large employer, empowering and meeting the needs of our employees is a top priority. In our Americas Materials Division alone, we employ 28,300 people in the United States and Canada, including this employee from Standard Materials Group.

# Empowering our employees

In our rapidly evolving industry, it is essential that we inspire our global workforce to embrace change and adapt dynamically. We strive to create a work environment where curiosity provokes discussion and shared ideas. The success of CRH relies on our c.77,400 employees across 28 countries, and the positive, collaborative engagement of all our people.

# Implementing our social policy

We aspire to provide an employee experience that empowers and stimulates our global workforce to deliver our strategy.

Our Social Policy (see page 67) supports the delivery of our Group strategy and highlights our commitment and approach to fair employment, respecting the human rights of all our stakeholders, meeting high standards of employee engagement and doing business with integrity. We support our workforce by providing a safe and respectful work environment.

Our leaders throughout the world are committed to the principles outlined in our Social Policy and are driven by a sense of longterm responsibility.

Employment policies, guidelines and objectives are implemented by the Managing Directors of each operating company with Human Resources teams and Group management providing support. Implementation is verified through the Code of Business Conduct (CoBC) certification, the annual Social Review and ongoing engagement at every level of the Group. Employee matters are discussed regularly at the highest level within CRH.

The SESR Committee has been designated responsible for stakeholder engagement, including ensuring that employee views are taken into consideration in decision making processes. During 2021, SESR continued to review and consider reports on employee engagement, including on the extensive employee survey that was undertaken (see page 🗟 43 for more details).

In addition, the Board engaged with employees from Europe and the US in a number of twoway sessions, discussing a range of topics including, safety and compliance, performance and development, and people and culture. These sessions provided valuable insights into the lived experiences, perceptions and opinions of the Group's employees.

# Working through COVID-19

Keeping employees safe from COVID-19 continues to be our top priority. During 2021, CRH management and leadership continued to assess the protection of all employees, ensuring that businesses could adjust to new ways of working as required. We continued to regularly communicate with employees across the business on keeping safe, workplace changes and ways to stay emotionally and physically supported.

Relevant resources and updates on COVID-19 are available on our employee intranet, to ensure access to the latest news and quick resource links (see page 243 for more information). We have encouraged employees to share these valuable resources with their families and friends as we continue to suppress the virus and keep each other safe.



### Case study

We invest in talent development across our businesses. For example, Farrans, part of our Europe Materials Division, supports local communities through its established apprenticeship programme across industry areas including construction management, civil engineering, quantity surveying and business administration. This programme offers opportunities for successful apprentices to put into practice what they are learning in real time, gain knowledge from experienced employees and build a successful career path.

# People practices

# What are the challenges and how are we managing them?

The COVID-19 pandemic has had a significant impact on society, economies and businesses. The competition for talent is a universal challenge, with shifts in demographics, remuneration expectations and flexible working arrangements contributing to reduced potential workforces. To address these challenges, we focus on identifying meaningful solutions to alleviate ongoing recruitment pressures, ensuring we retain the best talent. This includes offering our employees training and leadership development programmes, as well as fostering a culture of communication to better manage employee issues around satisfaction, engagement and wellbeing.



# Stakeholders tell us

Skilled workers form the foundation of the asphalt pavement industry as we provide safe, high-quality roads to our nation. To ensure the continued success of our industry, we must create and highlight opportunities for our employees to advance. Through collaboration with peers, such as CRH, we are able to create guidance on exceptional work environments, career pathways, and growth opportunities for workers."

Audrey Copeland, PhD, PE President & CEO, National Asphalt Pavement Association (NAPA)



Click here for our Social Statement of Policy



+ People

# Strengthening our inclusive workforce

We aspire to create and sustain a culture where everyone feels respected, valued and treated fairly. While we have made great strides to develop a more inclusive culture, achieving this requires an ongoing multi-scale effort. Promoting inclusion and diversity goes beyond awareness building and involves dismantling any pathways that may lead to structural inequalities. These efforts ensure that every employee feels respected, valued and has opportunities to succeed.

2030 Target

33% females in senior leadership roles by 2030

**Disclosures** 



# Driving inclusion and diversity

Cultivating an inclusive and diverse work environment is key to ensuring our employees feel they can bring their full selves to work. To celebrate diversity, in 2021, we came together to mark a wider variety of dates across CRH, including International Women's Day, Pride month, Black History month and Hispanic Heritage month.

We have rolled out Inclusion & Diversity (I&D) training to over 5,000 leaders across our business and are further developing the programme to move beyond awareness of unconscious biases, towards skill and capability building. We are also piloting a module on inclusive behaviours in our frontline leadership programme. In addition, some of our businesses have established Employee Resource Groups (ERGs), listening carefully to what our employees and stakeholders are telling us and helping to foster an inclusive and supportive work environment.

We have established our Global I&D Council. which is chaired by our Chief Executive. The role of this Council is to set our strategic approach to I&D and ensure it is embedded in our business strategy.

## Increasing female representation

Although the building materials industry has not traditionally attracted females, we are slowly seeing this begin to change. Achieving progress in this area requires a multiscale continuous effort to empower women and foster the leaders of the future. To drive our commitment, we have set an ambitious target for 33% females in senior leadership roles by 2030 (see page 18 for more information).

We actively monitor female participation in the workforce. Overall, 15% of our employees are female. At year-end 2021, 33% of our Board of Directors, 14% of our senior managers and 22% of our senior leadership were female. While only 7% of operations employees are female, we have greater female representation in areas such as clerical/administration, where 46% of employees are female.

# Sustaining an inclusive workforce

We focus on equality beyond numbers, aiming to ensure that all our employees feel respected and valued for their efforts. Policies in place at our operating companies ensure equal opportunities for people of all ages and those with disabilities, as well as equal pay for men and women. At present, approximately 6% of our workforce are under 25 and 31% of our workforce are between the ages of 25-39. A total of 1,168 people with disabilities were employed across 51% of Group companies during 2021.

We aim to ensure that inclusion is embedded in each step of our recruiting practices, from drafting job descriptions to using intentionally diverse interview panels and candidate selection methodologies. Furthermore, we are actively working to improve the proportion of under-represented employee groups - such as female employees, individuals with disabilities and racial and ethnic minorities - both within our wider workforce and senior management.

## Partnering for positive change

We are a member of the 30% Club, which consists of Chairs and Chief Executives committed to increasing female representation at all levels of their organisation. Additionally, our operating companies are developing more diverse and inclusive work environments. For example, Tarmac, part of our Europe Materials Division, sits on Highways England's I&D suppliers' group, known as the Supplier Diversity Forum. The aim of the forum is to share best practice and experiences from across the industry and influence the wider supply chain I&D practices.

Furthermore, we are focused on increasing the interest of young people in STEM (science, technology, engineering and mathematics) subjects. We collaborate with our peers and educational institutions to help equip younger generations with the core skills required within our industry.

# Inclusion and diversity

### What are the challenges and how are we managing them?

The world today is in flux and it has never been more important to embrace differences, seek out alternative views and hear the diverse voices that make up our global society. At CRH, we are committed to building an inclusive and diverse organisation and collaborating with our peers to drive I&D standards across our industry. Despite the challenges of working through another year of a global pandemic, we still made great progress in executing our I&D strategy. We have established I&D Committees across our three Divisions and corporate offices to lead and embed change throughout CRH. In addition, over half our employees are now covered by local I&D plans, to help them achieve the I&D goals relevant to their communities and keep building on our commitment to foster an inclusive culture.

# 

# Stakeholders tell us

Businesses are recognising the importance of embedding I&D into their businesses in order to attract, retain and empower employees. By achieving Clear Assured Silver Standard, Tarmac, a CRH company, is working to remove employment barriers and expand workplace I&D through measures such as ensuring benefit packages are accessible by all and by incorporating flexible work arrangements where possible to improve inclusion, growth and trust."

Anna Mäkinen Head of Clear Assured

+ People

# Engaging with our employees

Providing a working environment that enables people to perform at their best is essential for business success. We want our people to reach their full potential. By fostering a culture of open communication within our workforce, we aim to support employee development and enrich the employee experience.

# Connecting with our employees

With an average of 24 employees at each location, we benefit from close working relationships between management and their teams. This is vital to the effective communication of strategic business updates, activities and news about CRH across the world.

The COVID-19 pandemic initially presented many communication challenges across our businesses. However, we have taken actions to increase employee engagement.

Our leaders have played a crucial role in maintaining regular engagement with employees through videos, town hall meetings and other online tools to help guide employees and their families through the dynamic situation.

In 2021, 89% of employees participated in regular employee briefings and informal meetings, with employees also involved in other meetings where open dialogue is encouraged.

## Engaging with our employees Global level **Regional** level Company level Online newsletters Webcasts with Employee briefings ( )**Divisional Presidents** • Video messaging . Open dialogue ( ) Forums



#### Case study

At CRH, we believe that health and wellbeing are at the core of living a happy life. We focus on embedding a health and wellbeing approach across our locations to help create a healthy and engaged workforce. As part of our ongoing commitment to helping our employees manage their health and wellbeing, during 2021 we organised multiple campaigns across the Group, including a Group-wide 'Fitness Challenge' and our 'Health & Wellbeing' video series, covering topics such as mental health, managing stress, and techniques for physical health.

## Understanding our workplaces

 $( \bullet )$ 

Seminars

Town hall meetings

Internal news portal

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To ensure that we continue to meet the highest standards across our business, we need to understand the impact of company practices and culture on performance. We want to continually improve our organisational health - how aligned we are, how we work together, and our ability to continuously learn and adapt to drive long-term performance.

As part of our ongoing employee engagement processes, in 2021, we conducted an organisational health survey to better understand our workplaces around the world. The results of the survey highlighted areas of strong performance for CRH and identified the priority areas to focus on and collectively strengthen across the business.

Working with the Global Leadership Team, we are developing clear action plans in line with these priority areas, which will be implemented across the business.

# Measuring employee engagement

We regularly monitor employee engagement, to continually drive progress and understand what matters most to our employees.

Suggestion schemes

Employee surveys

Newsletters

In 2021, 54% of employees were surveyed formally for employee engagement and satisfaction, covering both management and staff. Results indicated a high level of employee engagement, with 100% of those scoring in the "engaged" or higher categories.

Awareness we gain through employee feedback informs updates to ways of working, engagement strategies and leadership development approaches.

# Fostering a culture of development

We are committed to helping our employees succeed and ensuring they access opportunities to fulfill their goals. Through our continuous efforts to attract, retain and develop the top talent within our industry, we are focused on creating a CRH community that will drive performance now and for years to come.

# Investing in our workforce

In a highly competitive jobs market, the benefits of investing in our employees are clear, including a more skilled talent pipeline, increased levels of attraction and retention, and a more satisfied workforce.

We invest in talent development across our businesses, empowering our employees across all levels of education and employment to grow their careers through personal and professional development opportunities. In 2021, 86% of our operating companies offered career development opportunities or advice to employees.

We continuously update our training approach and resources to match the skills needed in our dynamic industry. Training also provides employees with important opportunities to build networks across the business. Acknowledging the importance of learning and development, we offer reimbursements for job related degree-programmes at all levels of education and place an emphasis on educational and performance support systems. This is particularly relevant for smaller communities, where our operating companies may be a large employer in a local context.

Collaborating with communities to offer apprenticeships, graduate schemes and educational partnerships is a mutually beneficial venture with successful graduates and apprentices given the opportunity to gain hands-on experience across our operating companies. For example, our CRH Technical Cement Graduate programme, which has been rolled out across Europe, provides opportunities for graduates to grow their technical capabilities, while learning about our business.

# Training our employees

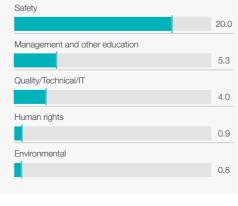
Our aim is to help our employees continuously develop their skills in areas such as safety and management, as well as other areas relevant to their role, such as frontline leadership. In parallel, employees receive compliancerelated training on topics such as our Code of Business Conduct (CoBC).

At CRH, we responded quickly to the challenges of COVID-19. The move to online training programmes enabled successful e-learning workshops in various areas, including I&D and resilience. Online learning also extended the scope of our engagement with employees and the efficiency of module delivery. Learning programmes have been further developed to allow for a combination of online modules with face-to-face engagement where possible.

In 2021, employees across our business completed a total of 2.4m hours of virtual and in-person training, equating to 31 hours of training per employee. Critical training on safety, business conduct, regulatory requirements and key employee development needs continue to be prioritised as COVID-19 restrictions evolve across different countries of operation. In 2021, 97% of employees received training which satisfied our requirement for 95% of employees to receive training annually.

# Training by type 2021

(Hours per employee)



# Developing our leadership

The 'CRH Leadership Profile' outlines the core leadership competencies needed to support employee performance, growth and success across our businesses. These core skills, abilities and behaviours are integrated into performance management and leadership development programmes, with a focus on the development of females and underrepresented groups in leadership roles throughout the Group (see page 24 for more information). Following these development programmes, many employees are involved in task forces and exploration teams, allowing them to hone their leadership skills for the next step in their career.

To continuously identify high-performing and motivated leaders, we systematically review our approach to accurately combine our employees' skills and our business needs. We also emphasise employee opportunities for international mobility across our businesses, particularly for management roles, to help people grow their skills and develop their careers.

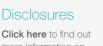


### Case study

As part of our commitment to developing the leaders of the future, we have established the CRH Global Frontline Leadership Programme (FLP), which is being delivered to all CRH Frontline Leaders and their managers - around 10,000 people across 25 countries worldwide. In 2021, the first participants graduated from the Global FLP and are equipped with CRH leadership behaviours that can be applied to create safer and more productive workplaces.

# Key achievement

2.4m hours of employee training across our business in 2021



Click here to find out more information on our Social KPIs



# Rewarding our workforce

Our employees are central to the success of CRH. We believe that cultivating a collaborative space in which innovation and contribution are rewarded provides each of our employees with the opportunity to reach their full potential. In our rapidly evolving industry, it is essential that we inspire our global workforce to embrace change and adapt dynamically.

# Attractive working conditions

We strive to create a supportive working environment for our employees. Our global benefits are competitive, inclusive, equitable and align with our values. Pay packages are designed to attract, motivate, and retain talent, while offering benefits in line with industry and national standards. We embrace and comply with local wage and working time laws. Our operating companies offer entry-level wages at or above the minimum wage, with many having policies in place to ensure a living wage. Policies or procedures are in place at our operating companies to prevent excessive working hours.

We promote flexible work practices where appropriate to accommodate a healthy work-life balance for our employees. We offer similar benefits to full and part-time employees working within the same business including parental leave, retirement provisions and access to disability or invalidity schemes.

Throughout the COVID-19 pandemic, flexible work practices were extended, where relevant, to accommodate changes in work situations, family circumstances and workplace safety.

# Labour practices

We review workplace practices annually across all operating companies. In 2021, we found no cases of forced or compulsory labour and no employees or contractors under the relevant legal age working at any location among our businesses.

Apprenticeship and internship programmes are delivered in accordance with local legislation and are typically regulated by governmental educational agencies.

# Managing for employee retention

Across CRH, 56% of employees have been working in our businesses for over 5 years, bringing a balance of knowledge and experience. However, the seasonal, cyclical and project-based nature of our industry means our workforce and management are required to deal with peaks and troughs in demand.

Our employee turnover rate is 23.8%; this includes seasonal employees, many of whom return year after year. We work to limit the impacts of seasonality and provide assistance to employees and managers with retirement planning and downsizing when it is necessary. Fair and flexible hiring and lay-off practices apply, particularly in seasonal businesses. For major operational changes, appropriate notice periods are implemented.

## Freedom of association

Freedom of association is a fundamental human right. We respect the rights of our employees to form and join trade unions and take part in collective bargaining. We also take care that employee representatives do not suffer discrimination. Approximately 20% of our employees were members of trade unions in 2021. A number of our operating companies are unable to disclose this information due to regional legal restrictions and we respect this position. Membership varies by country, with union membership exceeding 70% in certain countries.

Wage negotiation is carried out depending on local industry practice. In 2021, 71% of the wage reviews were carried out on an individual basis or through unions/groups. In 2021, there were 7 industrial disputes across group companies, 6 of which were national strikes in France and Belgium and the remaining strike was in Canada.

# Recognising strong performance

Our employees strengthen the reputation of the company through the relationships and networks built up across the different businesses. We offer performance-based compensation and rewards for our employees, dependent upon their contribution to the success of the business and demonstration of company values.

Our reward systems are transparent and designed to reward the entire workforce, from Chief Executive to our frontline workers. Where relevant, key sustainability metrics are included. While safety may be incentivised at all levels, environmental, community and productrelated measures are typically incentivised at management level. In some cases, sharebased incentives are provided in accordance with regulatory and industry practices in particular jurisdictions.

Given the importance of ESG topics to CRH, our stakeholders and wider society, appropriate environmental metrics and targets are being reviewed as part of the new remuneration policy, for consideration by shareholders at the 2022 Annual General Meeting (AGM).



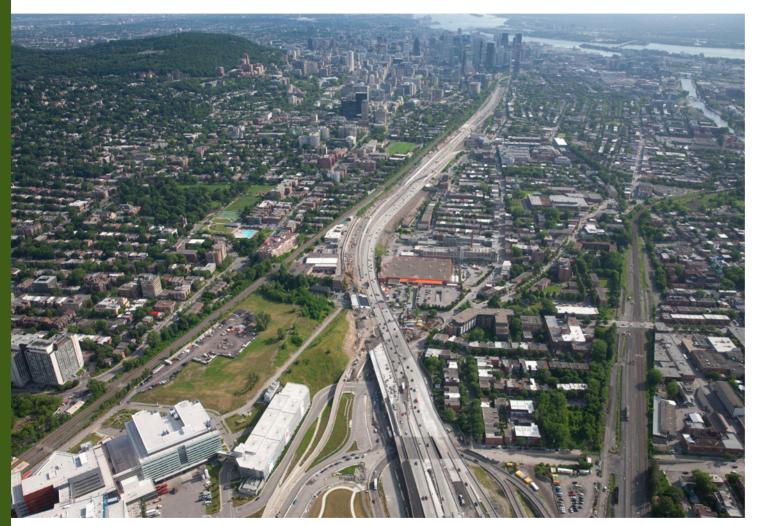
#### Case study

It is our goal to develop a more inclusive working environment. Northstone, part of our Europe Materials Division, has signed-up to the Business in the Community (BITC) 'Ban the Box' campaign in Northern Ireland. The campaign aims to give people with criminal convictions a fairer chance at securing employment by removing the 'Criminal convictions' tick-box from job application forms.

Click here to read more information about our approach to human rights



# Products



# "



Construction is evolving to deliver a more resilient built environment, while contributing to the circular economy. At CRH, we are committed to developing low-carbon solutions for a smarter, more sustainable urban landscape. Through continuous innovation, we are providing the infrastructure needed to enhance modern living and respond to our customers' sustainability demands.

Jason Jackson, President, Oldcastle Infrastructure

# 

### In this Products section

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Image: Our businesses are committed to shaping a more sustainable built environment and contributing to the circular economy. Demix Agrégats, Demix Béton and Demix Construction, part of our Americas Materials Division, provided construction services and materials for Quebec's first carbon neutral infrastructure project, the new Turcot Interchange in Montreal, Canada. This project was completed in 2021 and included a significant amount of recycled materials. Products with

life-cvcle of structures.

sustainable attributes

products and solutions that reduce

We are focused on developing innovative

construction times, improve the efficiency

We offer a wide portfolio of products and

building solutions with sustainability attributes\*.

In 2021, products with sustainability attributes

accounted for 46% of our product revenue.

These include concrete products used in

flood defences, stormwater systems, and

For example, Oldcastle APG, part of our

and VersaStone masonry products which

materials. Concrete is also a key building

material for the construction of renewable

energy infrastructure and public transport.

We recognise the contribution many of our

such as BREEAM<sup>®</sup>, DGNB, and LEED<sup>®</sup>.

This includes the thermal mass properties

efficiency and the use of building envelope

glazing products that incorporate innovative

solutions, such as high-performance glass and

thermal break technologies for superior thermal

performance, while providing essential daylight. Overall, 28% of our relevant product revenue

is from products that can be used in certified

sustainable building schemes\*\*.

of concrete for improved building energy

products make in helping customers achieve

higher scores in green building rating schemes

are manufactured using up to 40% recycled

products with high levels of recycled content.

Building Products Division, produces Greenline

and safety of buildings and prolong the

# Developing innovative solutions for our customers

Worldwide, stakeholders in the built environment are seeing the potential in circular and net zero construction. At CRH, we are taking the lead in transforming the nature of sustainable construction. From energy efficient buildings to green infrastructure, we are constantly innovating to provide the most progressive products and sustainable solutions to our customers.

## ) 2025 Target

50% of product revenue to come from products with enhanced sustainability attributes by 2025

nue to with ility

### Case studies

Click here for more information about how our products contribute to sustainable cities >



\* Products with sustainability attributes are defined as products that incorporate recycled materials, products for which alternative energy/fuel sources are used in production, products which have a lower carbon footprint, and products that address sustainability challenges in the built environment.

\*\*External revenue from products that can be used directly in structures certified to BREEAM®, Green Globes®, LEED®, IC-700, etc. Products may qualify for points as a result of certifications such as ISO14001, BES6001, local sourcing, recycle content and other characteristics.

# Empowering innovation

At CRH, we have the experience, entrepreneurial spirit, creativity, and connections to lead the way in providing the innovation to meet the needs of our customers.

We are collaborating across the industry and wider scientific community to develop technologies that provide lower-carbon products and structures (see page 🗎 32 for more information). We have over 60 ongoing research and innovation projects globally, which aim to promote sustainability across the construction industry (see page 🗎 31 for more information).

In doing so, we see an opportunity to tackle some of the most pressing issues in sustainability, and in turn, help deliver on our focus UN SDGs. Key outcomes include greater resource and energy efficiency, as well as lower emissions, progressing the journey to decarbonisation for CRH and our customers.

We take an end-to-end approach to sustainable construction, which includes considering how our products are used in the built environment. Working with our customers, we have applied innovative digital construction technologies and carbon management processes to reduce the embodied and operational carbon footprint of individual structural components incorporated into the built environment.

# Innovative and sustainable solutions

# What are the challenges and how are we managing them?

An ongoing challenge is meeting the needs of a growing global population while reducing the impact of development on the environment and managing finite resources as efficiently as possible. Society needs building innovations to deliver a sustainable built environment more than ever before. At CRH, we have decades of experience of collaboration and industry engagement that helps us to drive innovation across our processes and products. We will continue to focus on research and development across our operating companies and developing state of the art technologies and processes through our Innovation Centre for Sustainable Construction (ICSC).



# Stakeholders tell us

Increasing focus on climate change mitigation is challenging companies and research centres to work together to develop innovative sustainable solutions. CRH is collaborating with the Universidad Autónoma de San Luis Potosí to develop a new solution to capture CO<sub>2</sub>, transport it safely and use it permanently in the production of concrete. By playing a leading role in innovation, we can help shape the future of the industry."

Dr. José Amir González Calderón, Researcher, Universidad Autónoma de San Luis Potosí

# Building trust with our customers

At CRH, we strive to build open relationships with our customers across every business activity, to better understand our customers' needs and to continue to provide innovative building solutions.

## Understanding customer needs

Our customers' satisfaction is the basis for our business success. We understand that our customers rely on us to support them in meeting their sustainability and technical goals, and that early engagement and communication are key to success.

To better understand our customers' needs, we carry out regular perception surveys across our markets. In 2021, out of the 55% of Group companies who carried out formal surveys, customer satisfaction was rated at a high level, with 91% of completed surveys indicating above average levels of satisfaction with our products and/or services.

Information gathered through these surveys provides valuable insight across our business activities and helps ensure that we continue to meet evolving customer needs.

# Product stewardship

Product responsibility concerns the impact of our products and services on the environment, our stakeholders and customers. We consider environmental and health and safety attributes of building materials from the product concept stage right through to product use. Where necessary, our products are accompanied by Materials Safety Data Sheets (MSDS) containing information on use, storage and application. In addition, we share Health Product Declarations with our customers. In line with the European Regulation on Chemicals (REACH), all our companies operating within the EU provide health, safety and environmental information.

+ Products

All our products are manufactured to the highest national and regional technical standards and specifications and are independently certified. In addition, many of our businesses operate to ISO 9001 Quality Management Systems, further guaranteeing product quality.



### Case study

At CRH, we are continuously striving to meet customer needs and exceed expectations. Oldcastle APG, part of our Building Products Division, have responded to rising customer demand by opening a new dual bagging-line, dry-mix facility at Cowpens, South Carolina. The plant's high throughout capability and strategic geographic location bolsters APG's end-to-end solutions offerings for customers in the region.



### Case study

Our products are manufactured to the highest standards. The Shelly Company, part of our Americas Materials Division, uses certified lab technicians to ensure the quality, accuracy, efficiency and safety of its materials through every step of their processes. The ultimate goal is to provide a durable and smooth pavement to withstand the forces of traffic and weather.

# Accelerating sustainable construction standards

We play an active role in accelerating the transition to sustainable building by increasing product transparency and providing information on the environmental performance of our products. Several of our products are supported by Environmental Product Declarations (EPDs) or certified to various certification standards, such as BES 6001 standard for responsible sourcing of construction products.

We collaborate and engage with a number of initiatives to play our part in advancing sustainable construction standards at scale. For example, we are a Founding Member of the Concrete Sustainability Council (CSC), which has developed a Responsible Sourcing Scheme industry standard for concrete to enable informed decisions in the construction industry. We have also partnered with CEMBUREAU on various projects, such as Level(s), a voluntary building assessment framework developed by the European Commission to improve the sustainability of buildings.

In addition, we have provided input to various industry responses to legislation and standards proposed for the cement sector. We were actively involved in the development of the GCCA 'Roadmap for Net Zero Concrete', the National Asphalt Pavement Association (NAPA) roadmap 'Towards Net Zero Carbon Emissions', as well as the Portland Cement Association (PCA) 'Roadmap for Carbon Neutrality', published in 2021. We are also involved in the GCCA's innovation programme, 'Innovandi', which runs key programmes to develop innovations to help the industry decarbonise and produce carbon neutral concrete by 2050. You can find more information on page 47 about how we collaborate for innovation in the built environment.



# Enhancing value through the circular economy

A circular economy has the potential to cut down CO<sub>2</sub> emissions from materials and reduce impacts on nature. The building materials industry is playing an important role in driving climate resilience and moving towards a more sustainable circular economy model. As a leader in the use of alternative fuels and materials in our processes and products, CRH sees the circular economy as a growth opportunity for our business.

### Case studies

Click here for more information on how we contribute to the circular economy



## Providing end-of-life solutions for products

At CRH, we are rethinking and redesigning our products and components to improve the life-cycle performance of buildings and provide end-of-life solutions for our products.

Our operations use by-products from both our own and other construction and industrial processes, such as recycled asphalt pavement (RAP) and shingles, construction and demolition (C&D) waste, fly ash and ground granulated blast-furnace slag (GGBS), along with other reused materials. The amount of waste from other industries that we consume as alternative fuels and raw materials is 136 times greater than the amount of waste we dispose of. In addition, we are the largest recycler of building materials in North America.

In 2021, we recycled a total of 39.5m tonnes of alternative fuels and materials in our processes. This includes 37.4m tonnes of alternative raw materials, substituting 9% of the virgin materials we would have otherwise used. Depending on the product, this substitution rate can be significantly higher. Over the next decade, we expect to use over 100 million tonnes of RAP in our road surfacing products.

In 2021, 3.1m tonnes of our total alternative materials were by-products from our own internal processes, such as baghouse fines and off-spec products which were internally recycled back into processes where possible. In addition, through co-processing, we recover waste streams from other areas of industry to be used in the manufacture of alternative fuels.

Replacing fossil fuels, such as coal and petcoke with these alternative fuels is key to reducing the carbon intensity of cement production. You can find more information on page 🗎 29.

## Promoting a circular economy

We have worked to embed circularity as a core value at CRH. We see an opportunity to lead by example and promote a circular approach in the wider industry and society.

For example, approximately 25% of every mile of road we build is from recycled materials as the largest road builder in North America, we are already a significant contributor to the circular economy.

We are committed to building on these efforts by aiming to include more sustainable processes in our business model, which can be rolled out across our operating companies and, in turn, advance the circular economy across our business. You can find more information on page  $\exists 30$ .

Alternative fuels and materials by type 2021 (total: 39.5m tonnes) 2.1m 13.7m 10.6m 3.1m 10.0m Alternative fuels 2.1m tonnes RAP and shingles 10.6m tonnes

10.0m tonnes Internal by-products 3 1m tonnes Other reused material 13.7m tonnes



C&D

#### Case study

We aim to minimise the impact of construction on the environment through continuous innovation. For example, Rudus, part of our Europe Materials Division, released its new ready-made 'Uuma' concrete, which is made using recycled aggregates. The product was piloted in partnership with one of our customers where it delivered high quality results alongside lower emissions.

+ Collaboration

# Collaboration



#### In this Collaboration section

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Sustainable procurement strategy	56
Enhancing global communities	57
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Image: We strive to create a positive impact in our local communities. For example, Northstone, part of our Europe Materials Division, is collaborating with Cancer Focus Northern Ireland as its nominated charity partner. To kick off this partnership, Northstone has wrapped two of its new mixer trucks in Cancer Focus branding to help promote the charity's appeal for donations.





The challenges that accompany navigating an ever-changing world are made easier by the strength of those around you and we are proud of the meaningful impact we have made in communities across the globe. Collaboration is what drives improvement and we are continuously striving to strengthen existing relationships with our stakeholders and build lasting partnerships.

Monica Manolas, President, Ash Grove South, CRH Americas Materials



#### + Collaboration

# Maintaining positive stakeholder relationships

The world today is undergoing radical changes at an accelerating speed. As our business continues to develop, it is imperative that our stakeholder relationships remain strong. We believe it is more impactful when we collaborate and take action together to create largescale positive change for communities, people, society and the environment.

# Engaging with our stakeholders

We take a collaborative approach to developing stakeholder relationships, while empowering our businesses to deliver local engagement in an inclusive and transparent way.

Our stakeholders include our employees, investors, customers, suppliers, governments, regulators, trade associations, academia, local communities, NGOs and other businesses.

With over 95% of our employees living locally to our businesses, we are very much embedded in the local communities where we are located. Many of our employees give their time to our communities in various ways, including participating on the Boards of charities and industry associations, as well as volunteering with charities, NGOs and educational institutions.

Due to the ongoing restrictions associated with COVID-19, we were unable to welcome as many visitors as we had hoped onto our sites during 2021. Our operating companies have been working hard to find other ways to engage with stakeholders and local communities. In 2021, our operating companies hosted approximately 1,100 stakeholder engagement events.

Stakeholder input is particularly important in developing, implementing and continuously improving our sustainability policies and commitments. Strengthening existing partnerships and developing new relationships with stakeholders leads to improved engagement and communication, increased transparency and trust, and a growing understanding of our impacts and opportunities.

# Building trusting relationships

Depending on our line of business, location and area of interest, we use appropriate activities to interact with each of our relevant stakeholder groups (see a summary on page 52-53). Potential gaps and opportunities for our businesses are identified through the outcomes of these interactions and help us to develop future plans.

In addition, internal and external stakeholder feedback plays a central role in our materiality assessment process, in evaluating and prioritising our key material sustainability issues (see pages 15-16 for detail on our most recent materiality assessment). This feedback makes it easier to define risks, opportunities, and KPIs, as well as to set and report strategic targets.

## Supporting our stakeholders

Driving positive changes across our value chain requires ongoing engagement and collaboration with our employees, customers, suppliers and local communities, which leads to stronger partnerships and enhances our sustainability agenda.

The past two years have been overshadowed by the COVID-19 pandemic, and at CRH we have responded to this global challenge in multiple ways to support not only employees, customers and suppliers, but also the communities where we live and work.

Over the course of the pandemic our operating companies have adapted their processes and activities to ensure that we can continue to meet our customers' needs, keep vital infrastructure running and help our local communities. You can read more about the ways in which we are engaging with and supporting our local communities on pages \$57-58.

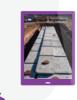


#### Case study

We focus on educating the next generation in STEM (science, technology, engineering and mathematics) subjects. For example, EQIOM in France, part of our Europe Materials Division, hosts education events and school visits to its quarries to teach primary school students about aggregates. An innovative teaching kit has been designed to support these education events.

### Annual Report

Click here to read more about our stakeholder engagement in our 2021 Annual Report, available on crh.com



How we engage with our stakeholders businesses that are transparent and effectively communicate with their stakeholders are carrying out engagement with best practice in mind. By engaging with stakeholders through multiple lines of communication we ensure that we can		Employees  Business performance Health, safety and wellbeing Inclusion and diversity	<ul> <li>Community issues</li> <li>Planning matters</li> <li>Potential local impact</li> </ul>	Investors Business performance Strategic growth Capital allocation	Customers    Building solutions  Customer relations and contracts  Health and safety			
		<ul> <li>Corporate governance</li> <li>Human rights</li> <li>Potential local impact</li> <li>Team meetings</li> </ul>	Sustainability     One-to-one meetings	<ul> <li>ESG topics</li> <li>Board and Executive remuneration</li> <li>Inclusion and diversity</li> <li>Results presentations</li> </ul>	<ul> <li>Health and safety</li> <li>Sustainable products</li> <li>Product innovation</li> <li>Quality and delivery</li> <li>Collaboration</li> <li>Customer surveys</li> </ul>			
successfully work together to meet the challenges facing society.	Key methods of engagement	<ul> <li>Employee newsletters</li> <li>Performance reviews</li> <li>Town Hall meetings</li> <li>Employee surveys</li> <li>One-to-one meetings/ briefings</li> </ul>	<ul> <li>Open days</li> <li>Site tours and virtual events</li> <li>Participation in local events</li> <li>Employee engagement processes</li> </ul>	<ul> <li>Annual General Meeting</li> <li>One-to-one meetings and calls</li> <li>Surveys</li> <li>Investor and ESG conferences and roadshows</li> </ul>	<ul> <li>Formal market research</li> <li>Negotiations</li> <li>Exhibitions</li> <li>Product information on packaging</li> <li>Customer relationship development</li> <li>Company websites and social media</li> </ul>			
	Frequency of engagement	Ongoing	Ongoing	Ongoing	Ongoing			
	2021 outcomes	Engaging with our employees helps us to attract, develop, retain and motivate our workforce, sustaining our competitive advantage and long-term success. In 2021, it also helped us strengthen our approach to inclusion and diversity across our businesses.	Engaging with our local communities during 2021 ensured that we increased our understanding of their needs and priorities, addressed any concerns and identified areas for value creation.	Engagement with investors helps us understand their expectations of our risk management and our financial and ESG performance. During 2021, investor focus continued around emissions reduction, employee engagement and innovation.	<ul> <li>Engaging with our customers ensures we listen to their needs and deliver innovative solutions to meet their sustainability commitments. In 2021, we continued to work with our customers on sustainable product development.</li> </ul>			

# >

	Suppliers	Governments and regulators	Academic and scientific community	Media	NGOs and pressure groups
Key areas of interest	<ul> <li>Quality and delivery</li> <li>Health and safety</li> <li>Contract performance</li> <li>Local impacts</li> <li>Corporate governance</li> <li>Human rights</li> <li>Environment and climate</li> </ul>	<ul> <li>Health and safety</li> <li>Environment and climate</li> <li>Corporate governance</li> <li>Planning matters</li> <li>Natural capital</li> <li>Product standards</li> </ul>	<ul> <li>Environment and climate</li> <li>Product efficiency and innovation</li> <li>Human rights</li> <li>Natural capital</li> <li>Graduates and apprentices</li> </ul>	<ul> <li>Business performance</li> <li>Health and safety</li> <li>Inclusion and diversity</li> <li>Environment and climate</li> <li>Product innovation</li> <li>Corporate governance</li> </ul>	<ul> <li>Corporate governance</li> <li>Environment and climate</li> <li>Human rights</li> <li>Eco-efficiency</li> </ul>
Key methods of engagement	<ul> <li>Supplier surveys and audits</li> <li>Contractual meetings</li> <li>Tenders</li> <li>Information requests</li> <li>E-tendering platforms</li> <li>Assessment and due diligence</li> </ul>	<ul> <li>Industry associations</li> <li>Briefings and direct meetings</li> <li>Audits</li> <li>Open days</li> <li>Multi-stakeholder forums</li> </ul>	<ul> <li>One-to-one meetings</li> <li>Seminars and lectures</li> <li>Round table discussions</li> <li>Presentations</li> <li>Intern, graduate and apprenticeship programmes</li> </ul>	<ul> <li>Media surveys</li> <li>Media briefings</li> <li>Press releases</li> <li>Social media</li> <li>Interviews</li> </ul>	<ul> <li>One-to-one meetings</li> <li>Participation in events</li> <li>Presentations</li> <li>Open days</li> </ul>
Frequency of engagement	Ongoing	As required	As required	Ongoing	As required
2021 outcomes	We engage with suppliers to develop a responsible and sustainable supply chain needed to deliver innovative and sustainable products. During 2021, we worked with our suppliers to drive improvements across sustainability priority areas including health and safety and environment.	In 2021, our engagement with local and national regulators, governments and industry associations ensured that we contributed to issues relevant to our activities, improved our sustainable performance and progressed projects for societal enhancement.	By engaging with academic and scientific institutions during 2021, we continued to support partnerships and collaborations on research and development, championing innovative solutions that contribute to a more sustainable built environment.	In 2021, we continued to improve our engagement with media on sustainability issues. Engagement focused on how we are addressing climate change and delivering integrated solutions across our industry.	Through our memberships and partnerships with NGOs we continue to be involved in developing industry best practices across a range of sustainability topics, including collaborating on integrated solutions across the value chain.

# Managing our human rights impacts

At CRH, we are committed to respecting internationally recognised human rights. We apply the UN Guiding Principles on Business and Human Rights across our operations and extended supply chain. Our annual 'Commitment to Human Rights' Modern Slavery Statement provides details on our overarching commitments, core policies and the governance processes we have in place to manage human rights.

# Our approach to human rights

We have carried out human rights impact assessments to identify the salient human rights issues relevant to our own operations. acquisitions and supply chain, communicating these to our stakeholders in a transparent and open way. We have also participated in targeted risk workshops with the WBCSD to assess our approach to human rights and enterprise risk management. We continue to develop and refine our approach to human rights due diligence to better understand our potential impacts.

Our Annual Review provides information on the people working across our operations, in particular the employees and contractors working on our sites. Through our sustainable procurement programme, we carry out key supplier risk assessments to identify any potential high-impact supply chains. Where we identify impacts, we work with our suppliers to develop remediation plans for those affected and build the capacity of suppliers to then ensure these impacts are properly managed on an ongoing basis.

# Our policies and processes

Our Social Policy, Code of Business Conduct (CoBC), Supplier Code of Conduct (SCoC) and other Group-level policies ensure that we uphold our commitments to human rights. In addition, our independent, multi-lingual "CRH Hotline" facility. accessible 24 hours a day, seven days a week, allows our employees, customers, suppliers and stakeholders to raise any issues of concern (see page a 62).

As we continue to further develop and implement our processes, we recognise the need to engage with all our stakeholders, including employees, contractors, supply chain partners, communities, NGOs and our peers to uphold and promote human rights. We will continue to strengthen and implement a comprehensive human rights approach across our operations, with a focus on our supply chain.

# Human rights

## What are the challenges and how are we managing them?

With a global business employing c. 77,400 people across 28 countries, we face the challenge of managing potential impacts to human rights across a complex supply chain. Despite these challenges, CRH is committed to building knowledge and awareness on human rights issues within our business and across our entire value chain. We believe that slavery in all its forms (forced labour, bonded labour, compulsory labour, child labour and human trafficking) is unacceptable and we must do everything we can to prevent it. Our priority is to continue to strengthen our human rights approach across our operations in line with relevant and credible international frameworks on business and human rights.



# Stakeholders tell us

In today's society, there is a need for continued focus on integrating human rights into the business strategy. Through BITCI's Awareness-Raising Workshops on the Impact of Business on Human Rights, CRH has been inspirational in sharing the importance of conducting human rights due diligence across its business and the challenges and complexities this presents."

### Tomás Sercovich.

CEO, Business in the Community Ireland

# Our ongoing due diligence work has highlighted four salient human rights impact areas

## • Safety of those working for CRH

There are multiple safety hazards associated with our industry. Our Safety section (pages 20-25) provides details on how we manage safety across our operations, working towards our ambition of zero harm.

#### $(\bullet)$ Health of communities living close to our materials activities sites

We require all our companies to have a Community Engagement Plan in place at their sites, to help meet the needs and priorities of the local communities. For more information on our stakeholder and community engagement processes see pages 151 and 57.

#### Employment conditions of those working for CRH $(\bullet)$

The working conditions of our employees and contractors are monitored through our Annual Review process. For more information on our labour practices see page 45.

#### Labour rights of those working in our extended supply chain

We source our materials and products from over 118,000 suppliers worldwide. Through our sustainable procurement programme, we work with our suppliers and stakeholders to promote human rights. For more information on our supply chain processes see pages 🗎 54-55.

Disclosures



Click here to find out more information on our Modern Slavery Statement available on crh.com



# Delivering value across our supply chain

We expect our suppliers to match our unwavering commitment to good ethical practices. We work closely with our suppliers and other stakeholders to drive improvements in the supply chain and support suppliers to provide good jobs and manage their environmental impacts. We strive to be a fair and honest partner, firmly believing that relationships built on trust and integrity will be sustainable and beneficial for all.

Target ongoing 100% of our suppliers to comply with our Supplier Code of Conduct

## Policies

Click here to find out more information on our Supplier Code of Conduct, available on <u>crh.com</u>



B

TARGETS

## Our supply chain footprint

Together, our operating companies purchase around \$16 billion worth of goods and services every year from 118,000 suppliers spread across America (48%), Europe (51%), Asia and the rest of the world (1%). We also extract raw materials – such as aggregates, sand and gravel, to use in our own processes, as well as to supply external customers.

The CRH Group Procurement Council oversees all aspects of our purchasing strategy, policy, targets and objectives. Each of our core business lines have their own supply chain footprint with various challenges and opportunities:

- Our Materials businesses are vertically integrated, often extracting much of their own raw materials, or using materials produced by other operating companies
- Our Building Products businesses source a wide range of products from manufacturers across the world, accounting for a significant number of suppliers in our total footprint



#### Case study

Aligning our sustainability goals with those of our supplier is essential to our success. To achieve this goal, Tarmac, part of our Europe Materials Division in the UK, hosted their first Supplier Sustainability Week in 2021. The initiative consisted of virtual events attended by 800 suppliers which aimed to promote a collective approach to sustainability.

## Promoting best practices

We source goods and services through multiple routes: from centralised procurement, to local buying and to e-sourcing. Our 'Know Your Supplier' due diligence system provides key third-party data points for financial risk, sanctions screening and adverse media. We expect 100% of suppliers to comply with our Supplier Code of Conduct.

Sustainability is integrated into our sourcing process. Our supplier selection and ongoing assessment processes include sustainability criteria. We increasingly build on our key supplier relationships to ensure we respond to sustainability issues and provide added value in key areas.

We assess risk at a commodity level, in line with ISO 20400 best practice. We use 12 assessment criteria covering areas such as health and safety, human and labour rights, environment, climate change and governance. to understand potential risks and identify critical suppliers. Based on the risks identified. we enhance our Category Strategy Plans to drive improvement actions at the point where we have most influence with our suppliers. We provide responsible procurement training to those staff working directly with our suppliers. The training helps equip staff with the understanding and tools to be able to spot issues and effectively engage suppliers through their Category Strategy Plans.

## Collaborating for improvement

Our commitment to our values goes beyond our own activities. We support the transition towards more sustainable supply chains across the entire industry through our engagement and collaboration with suppliers, governments, industry bodies, businesses and other partners to find new ways to innovate for positive change, support local communities and create social value.

# Managing the risks and impacts of COVID-19

At CRH, we are acutely aware of the impact of COVID-19 on those working in global supply chains, such as potential challenges of increasing unemployment and pressures on environmental management. The vulnerability of certain groups has been exacerbated by the pandemic – in particular migrant workers, women working in the supply chain and young workers.

Our procurement teams work in partnership with our suppliers to find solutions to potential issues. Our 'Know Your Supplier' programme is designed to highlight suppliers that are undergoing a change in their financial health, so we can be more targeted in this approach. In addition, our procurement teams continue to work closely with our operating companies to address the issues that have arisen from the pandemic.

We continue to review our supply chain risks through our Enterprise Risk Management (ERM) Framework. Our commodity heatmap assessment is reviewed prior to any significant procurement project. We also work with our auditing partners to ensure our on-site assessments are fit for purpose.

+ Collaboration

# Sustainable procurement strategy

Our businesses, customers and stakeholders want assurance that the products we supply are produced in a responsible way. In order to make an impact on issues in our supply chain, we have embedded a sustainability approach in our sourcing strategy.

High

Pathway to imp	pact —	Supply chain risk -														Benefits —	
CRH group policy	Clear and robust policies and standards that reflect best standards. Our Supplier Code of Conduct (SCoC) is available on crh.com.	Category	Spend %	Safety	Health	Labour practices	Fairness, inclusion and respect	Social value	Energy and CO <sub>2</sub> emissions	Environmental stewardship	Resource efficiency	Circular economy	Water	Legal and compliance	Economic growth	<b>ک</b> ر ا	Reduced risk By integrating sustainability requirements at the
		Packaging	2%	м						н	м	н	L	L	L		start of the tender stage, we are able to mitigate risks more
Monitoring the drivers	Creating a compelling case of how and why improved sustainability is good	Chemicals	5%	М		м	L		н	м	н	L	L		L		effectively than after the event.
	for business and how it delivers value for stakeholders beyond	IT & telecom	1%	L		L	L		м	L	н	н	L	н	L		
	financial benefits.	Building components & manufacturing materials	· 8% H M H	L	м	н	м	L	L	L	L	L		Innovation			
Enablers	Developing processes that enable our procurement teams, sourcing	Energy	9%	м	н	L	L	L	н	н	н	L			L	s iii	Sustainability and innovation are
	specialists and suppliers to meet our evolving requirements.	General services	8%	L	м	м	м	н	М	L	L	L			м		increasingly linked and often lead to lower total cost of operational solution
Risk and	Identifying the risks	Mobile equipment	6%	м		L	L	L	н	L					L		
priority analysis	and prioritising areas for improvement for specific commodities.	Production equipment	5%	н	м	м	L		н	L					L		
<i>3</i>		Raw materials	18%	м	м	м	L	м	м	н	м	н	м	м	м		Collaboration
Sourcing	Integrating safer,	Logistics services	20%	н	н	L	L	L	н	м	L	L	L	н	м	a critical narr that can dem trust and dee relationships both custome	Procurement create a critical narrative that can demonstra
process	fairer, cleaner and better performance in all of our procurement and buying activities.	Maintenance & production services	14%	н		L	м	м	L	L	L			н	L		relationships with both customers and suppliers.
		Facilities management & estates	4%	м	м	н	н	м	м					м	L		

# Enhancing global communities

Strengthening social value aims to ensure that the communities in which we operate are equipped to face potential future challenges. At CRH, we aim to use our reach and influence to positively impact our local communities and build strong relationships with our stakeholders.

# Key achievement

\$34m invested over the past 5 vears in local community initiatives

## 2030 Target



B TARGETS

## Creating lasting relationships

With over 95% of our employees living locally to our businesses, we are very much embedded in the local communities where we are located. Our operating companies use their reach and influence to positively influence local change, support local livelihoods and businesses, and build strong, transparent relationships with our local stakeholders.

We strive to promote positive neighbourly relations, to understand the needs and priorities of local stakeholders. To achieve a consistent approach, our operating companies are developing Community Engagement Plans to best help the communities we work in. understand concerns and address any potential impacts.

## Investing in our communities

Community investment is one of the ways we contribute to thriving and inclusive communities. Despite COVID-19 constraints, in 2021 we donated \$7.1 million to local organisations and initiatives across areas including community relations and development, environment and conservation, education and employment, health and wellness, arts and culture and provision of shelter.

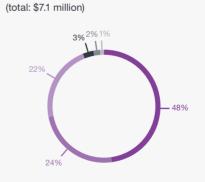
Education is a focus area and, in addition to donations, we had approximately 930 educational interactions with 28,400 people participating over the last two years. Due to the ongoing COVID-19 pandemic we were unable to deliver as many educational interactions across our locations during 2021. We have been working hard to help our communities in other ways, and we hope to advance our work again in this area, once it is safe to do so.

## Assessing our social influence

Like many global companies, assessing the impacts of our social investments is an ongoing challenge. We focus on measuring the alobal impacts of our investments - including financial, non-financial and social benefits - so that we can make informed choices and scale up our positive contribution. Our Communities Reporting Tool allows us to measure the inputs and outputs of our investments and projects.

## Building resilient communities

We engage in successful partnerships with stakeholders to tackle the housing crisis in their local communities. For example, our North American business sponsors a company-wide Habitat for Humanity project, uniting employees to build a home for a family. In addition to employees' hands-on participation, we donate products including concrete blocks, pavers and mulch. More impressive than the material and financial support is the impact these types of partnerships have on neighbourhoods, communities and individuals.



Community relations and development 48% 24%

> 22% 3%

2%

1%

- Health and wellness
- Education and employment
- Environment and conservation
- Provision of shelter
- Arts and culture

Donations by type 2021

# Community and social impact

## What are the challenges and how are we managing them?

At CRH, we are working hard to make a real and lasting impact within our local communities, to help address the challenges faced by society. Working locally, but acting as one company, our ambition is to utilise our resources, networks and partnerships to generate positive outcomes for our local communities, as society begins to rebuild from the impacts of the COVID-19 pandemic. To achieve a consistent approach, our businesses are required to implement a Community Engagement Plan, to enable better understanding of the needs and aspirations of their local communities.



# Stakeholders tell us

Lack of affordable housing is the foundation of many social issues, exacerbating the vulnerability of low-income families. The long-standing partnership between Habitat for Humanity and CRH helps us to tackle the housing crises in our local communities. Our shared values for the environment and society allows us to work together to create a positive impact."

#### Michelle Girardot, CEO of Habitat for Humanity Spokane



# Creating value for our communities

We aim to build more inclusive and resilient communities through a shared global approach that considers the specific needs of each community. Our social focus areas align with our core business strategy to empower communities and provide opportunities for us to create common value across our global footprint and contribute to the UN SDGs. Here are some examples of how our businesses supported their local communities in 2021:



### Environment and conservation

Our businesses are committed to helping local communities recover from and adapt to environmental incidents. Barriere Construction, part of our Americas Materials Division, played a key role in repairing damage caused by Hurricane Ida in Louisiana in 2021. Barriere employees reconnected communities badly affected by the hurricane and replaced essential infrastructure such as that needed to protect against coastal erosion.



In 2021, Dufferin Construction, part of our Americas Materials Division, worked with the Huntsville Festival of the Arts and the Huntsville BIA in a community mural project to decorate the 'Diggin' Downtown' catch basins. The catch basins, which will address underground water and sewage pipes, are currently on display in Huntsville, Canada.



## Community relations and development

In 2021, Leviat, our construction accessories business within the Building Products Division, sponsored a construction-inspired bear sculpture in the city of Sheffield, UK, to raise funds for the local children's hospital. This is part of a campaign to raise funds for a new cancer and leukemia ward at the hospital, which offers specialist care to children from across the UK and beyond.



### Health and wellness

In 2021, employees and interns from Callanan Industries, part of our Americas Materials Division, regularly volunteer with the Capital Roots charity by helping to prepare an 'urban farm'. Capital Roots works to reduce the impact of poor nutrition on public health in New York by organising community gardens, providing healthy food access and offering nutritional education.

## • Education and employment

In 2021, Tarmac, part of our Europe Materials Division in the UK, hosted an interactive day for pupils at its Barrasford Quarry site, Hexham, as part of Northumberland National Park's STEM festival. The Tarmac team brought students from local schools around its operations, providing first-hand experience of how important STEM (science, technology, engineering and mathematics) is when it comes to running a quarry.

### Provision of shelter

Across our Americas Materials Division, we have a longstanding partnership with Habitat for Humanity. In 2021, employees from Central Pre-Mix, Inland Asphalt and Interstate Concrete and Asphalt volunteered as part of Habitat for Humanity's BlitzBuild to help in the construction of two houses that will become homes for families in need.

# Integrity



# 



Greater expectations for responsible leadership are being placed on businesses as concerns for political, economic, social and moral challenges rise. At CRH, our culture of ethical behaviour allows us to build trust with our stakeholders and create long-term sustainable value. In everything we do, we are committed to doing what we say and leading with integrity.

#### Dave Toolan, VP & General Counsel, CRH Americas, Inc.

## In this Integrity section

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Image: We focus on creating innovative, value-added solutions for our customers. For example, Prefaco and Ergon, members of our Europe Materials Division, produced 30,000 tonnes of C2C-certified concrete consisting of 30% recycled aggregates which was used in the development of the WTC complex in Brussels. Prefaco and Ergon obtained the 'Cradleto-Cradle' silver certificate for this project, highlighting that the concrete is healthy for humans, environmentally friendly and recyclable.



+ Integrity

# Driving sustainable value

At CRH, we are committed to delivering long-term sustainable value for our stakeholders. We recognise the interconnected nature of climate change and other sustainability issues. In responding to these challenges, we collaborate with various stakeholders to provide ethical, circular solutions that drive more sustainable outcomes and grow our business.

# Creating lasting value

We believe that meeting our business needs in a manner that respects sustainability principles and addresses potentially negative impacts will increase our ability to drive profits and create lasting value for all our stakeholders, including investors, customers, employees, partners, suppliers and local communities.

We are ranked among sector leaders by leading Environmental, Social and Governance (ESG) rating agencies. We are a constituent member of indices including the FTSE4Good Index, the STOXX<sup>®</sup> Global ESG Leaders Index and the Dow Jones Sustainability Index, as well as a long-term participant in CDP (formerly the Carbon Disclosure Project). See page 87 for more information on our ESG benchmarks.

# Supporting inclusive growth

We strive to create sustainable financial and non-financial value for our stakeholders. We understand the concept of stakeholder capitalism and aim to ensure that our business serves the interests of all of our stakeholders, from investors to local communities. By placing the safety and wellbeing of people and the planet at the centre of our business, we consider the needs of society at large and deliver returns for all.

We recognise the importance of integrating social inclusion into all our actions. As society transitions to a low-carbon economy, we aim to ensure that our actions encourage a just transition in line with the Paris Agreement. This includes providing opportunities for those who may be negatively impacted due to the greening of economies. We promote this framework through our contribution to the UN SDGs (see page 🗎 12 for more information).

# Navigating the global transformation

We have a continuous focus on acquiring strong businesses that complement our existing portfolio and ensure the longterm sustainable growth of our business. We undertake extensive due diligence for all acquisitions, recognising strong performance across environmental, social and governance (ESG) issues as a key indicator of a well-run business. In developing markets, we place particular focus on ensuring strong governance is in place, including human rights and other relevant social requirements. Looking ahead, we plan to further integrate ESG considerations into our treasury management processes.



#### Case study

We undertake extensive due diligence to ensure that all acquisitions complement our sustainability strategy. Recently, we welcomed National Pipe and Plastics Inc. to our Building Products Division. They support our goal of ensuring access to safe, clean water through their supply of water and wastewater products. This transaction strengthens CRH's ability to provide fully integrated solutions that connect and protect critical utility infrastructure and enhance the built environment.

# Sustainable financial value creation

# What are the challenges and how are we managing them?

To ensure CRH's long term success, we consistently seek to create sustainable value for our shareholders, customers, employees and the communities we serve. We continue to incorporate sustainability into all aspects of our business model, including operational efficiency, acquisitions and strategic direction. This positions CRH for sustainable market growth by creating maintainable, long-term value for both our shareholders and our wider stakeholders.



# Stakeholders tell us

It takes economic performance and societal progress to dance a winning 21st century business tango. Companies like CRH are in a unique position to provide solutions to these dynamic socio-environmental challenges and turn sustainability into a source of business advantage."

Ron Soonieus, Director in Residence, INSEAD

# Annual Report

Read more about our economic value creation in our 2021 Annual Report, available on <u>crh.com</u>



# Leading with integrity

At CRH, responsible business practices remain central to our operations and are embedded throughout each level of our organisation. Our strong values unite us in the way we work, providing the foundation of our culture and strengthening our operational integrity. As we continue to navigate a changing world our values driven culture strengthens our ability to overcome potential challenges.

# Key achievement

8,500 CRH employees received Advanced Compliance Training in 2021

# Key achievement

32,600 CRH employees were trained in our CoBC in 2021

# Fostering an ethical culture

At CRH, we do the right things in the right way, comply with the law and work responsibly. As we adapt to new ways of working and the dynamic world around us, we continually reshape and improve our business.

Overseen by our Group General Counsel, during 2021, we launched our refreshed Code of Business Conduct (CoBC), which outlines clear expectations for employees related to ethical business conduct. In this CoBC there is a recurring phrase: "It Begins with Me". This emphasises the key message that living up to our values as a company is only possible when everyone plays their part. It is the duty of every CRH employee to read, confirm understanding of, and abide by our CoBC, which can be found on <u>crh.com</u>. Related training materials are available to employees via the CRH training portal.

We support and encourage ethical leadership, as outlined by our Group Chief Executive in the introduction to the CoBC. Our Group General Counsel, with oversight for business ethics, sits on the executive leadership team. In addition, the Audit Committee of the CRH Board provides executive-level oversight of CRH's Legal and Compliance programme, to ensure our continued commitment to legal and ethical business practices.

## Managing compliance risk

At CRH, our commitment to ethical behaviour, accountability and transparency is driven through our business principles and practices. Risk workshops are attended by a selection of senior business and cross functional management throughout the year. They are led by Group Risk and facilitate meaningful discussions around management's view of risks and enable a coordinated approach with Group Risk and Legal and Compliance. Mitigation against compliance risk is achieved through regular training, awareness, policies and guidance, supported by the Legal and Compliance function.

#### + Integr

## Training our employees

All new employees are required to complete our CoBC training and relevant employees undertake CoBC training and Advanced Compliance Training (ACT) on a regular basis. Of the 8,500 employees that received ACT in 2021, 51% were Managerial, 35% were Clerical/ Administrative and 14% were Operational.

Legal and Compliance ensures training and communications materials and methods for delivery remain relevant to the risks our employees face in their roles. During 2021, our training modules were refreshed for a greater user experience. Additional training modules are developed for more focused topics and audiences where necessary. The CoBC and training programmes are available in 21 languages. We exceeded our target for 95% of relevant employees to have received CoBC training in a reporting year.





#### Case study

Across CRH, our values unite us in the way we work, every day, all over the world and support us in ethical and moral decision making. In 2021, we launched our refreshed CoBC, outlining clear expectations for employee policy compliance related to business conduct. The refreshed CoBC was rolled-out across the Group and the updates were communicated to all employees.

+ Integrity

2%

1%

1%

# Leading with integrity

Reporting concerns

We provide formal, confidential ways to report concerns through our CRH "Hotline" facility, a 24/7, independent, multi-lingual reporting service. The CRH Hotline allows employees, customers, suppliers and other external stakeholders to raise good faith concerns they may have relevant to our CoBC, inappropriate or illegal behaviour or violations of any CRH policies or local laws. Stakeholders have the option to report concerns anonymously. All concerns are handled discreetly and are professionally investigated with appropriate actions taken based on investigation findings. In 2021, a total of 290 concerns were raised globally.

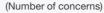
We regard any suspected violation of law, policy or our CoBC as a serious matter. Retaliation or reprisals are not tolerated at CRH. In 2021, 19 proven incidents resulted in disciplinary action. Employees are made aware that disciplinary procedures can be invoked in the event of a proven breach of CRH policies or any rule of law.

## Investigations and proceedings

At CRH, we have robust internal controls to help in the fight against all forms of corruption and illegal practice. Risks of corruption and fraud are monitored by management and Legal and Compliance teams. In addition, our CRH Internal Audit function works side-byside with Legal and Compliance in monitoring compliance with the CoBC and supporting policies, and in providing an integrated approach to assurance. In 2021, there were no investigations from external parties into allegations of corruption against the CRH Group.

Some of our operating companies are party to legal proceedings, including some in which claims for damages have been asserted against them. Having taken appropriate advice, we believe that the aggregate outcome of such proceedings will not have a material effect on CRH Group's financial condition, operational performance or liquidity.

# Concerns reported





#### Concerns reported by type 2021 (% of total concerns)

Labour and employment	

		49%
Health, safety, and enviro	nment	
		28%
Fraud and theft		
		10%
Conflicts of interest		
		7%
Other violations of CRH p	oolicy or local laws	
		2%

# Bribery, antitrust/competition

Product quality

# Business ethics

# What are the challenges and how are we managing them?

Businesses are increasingly expected to define their purpose and engage in business conduct that exhibits responsible ethical behaviour. At CRH, we are committed to the highest levels of legal, ethical and moral standards in all our dealings. To meet this ongoing priority, in 2021 we launched an updated Code of Business Conduct to help us live by our values that unite us across CRH. The CoBC is a practical guide to upholding our values and acting ethically in our workplace, in our business practices and in our communities. We want to help employees recognise potential areas for concern, avoid prohibited contact and seek guidance when necessary. With support from executive management, we continue to educate relevant stakeholders to ensure compliance with our policies.



# Stakeholders tell us

Manufacturers today are confronting some of the world's most significant challenges. Complex dilemmas like climate change, safety, and social inequality require us all to think differently and to live our values. So it's more important than ever for CRH to continue to meet the highest standards of business conduct and encourage their teams to perform their roles with integrity."

Jay Timmons,

President and CEO, National Association of Manufacturers

## 7 Key achievement

95% of relevant employees received CoBC training, exceeding our target



Click here to find out more information on our CoBC, available on <u>crh.com</u>



# Driving our corporate governance strategy

We pride ourselves on the strength of our corporate governance structures, continuously reviewing our arrangements to ensure they remain of the highest standards. We are proud of our wide recognition as a leader in corporate governance and embed sustainability in our overall business strategy.

Go' Go

## Governance

Find more information on the Board, including its membership and the Terms of Reference of each Board Committee on <u>crh.com</u>



# The CRH Board

The Board is responsible for promoting the long-term sustainable success of the Group, generating value for shareholders and ensuring that CRH makes a positive contribution to the wider society. The role of the Board is to provide leadership, establish and monitor purpose, values and strategy, set Group risk appetite and ensure there is a robust framework of effective controls to successfully assess and manage risks and opportunities, including those related to climate change.

As of 31 December 2021, there were two executive and 10 independent non-executive Directors on the CRH Board. Full details of Board diversity, including geographical spread, gender and ethnicity, are given in our 2021 Annual Report, available on <u>orh.com</u>. The independence of non-executive Directors is considered annually. The diverse nationalities of the Directors reflects the geographical reach of the Group, and we ensure the Board has the appropriate blend of skills, knowledge and experience, from a wide range of industries, regions and backgrounds, necessary to lead CRH. In 2021, there were five full meetings of the Board.

## Board renewal and evaluation

Ensuring the Board includes a diverse group of individuals based on a broad set of factors remains a focus, alongside aligning renewal with CRH's strategy and the needs of the business. Newly appointed Directors receive extensive briefing materials and the Chairman agrees an individually-tailored, comprehensive induction programme. Director performance is reviewed annually by the Chairman.

A review of Board effectiveness is conducted annually by the Senior Independent Director. This review considers the operation and performance of the Board and its Committees, and the effectiveness of Board communications. This process is supplemented with an external evaluation by a third-party provider every three years, the most recent of which was conducted during 2021 (see page 65 of the 2021 Annual Report and Form 20-F available on <u>crh.com</u>).

# **CRH Board Committees**

The Board delegates specific areas of responsibility to a number of Committees to assist in the execution of its responsibilities. The current Board Committees are:

- Acquisitions, Divestments and Finance
- Audit Committee
- Nomination & Corporate Governance
- Remuneration
- Safety, Environment & Social Responsibility (SESR)

The role of these Committees is to provide strategic direction, oversight and assurance on specific objectives. The Chairman of each Committee reports to the Board on its deliberations, and minutes of all Committee meetings are circulated to all Directors. Committee Chairs also attend the Annual General Meeting to answer questions from shareholders. The current membership and terms of reference of each Committee are available on <u>orh.com</u>.

## Compliance

We have clear procedures to ensure compliance with our obligations under applicable rules and regulations, including those issued by the Securities & Exchange Commission. We continue to implement the 2018 UK Corporate Governance Code. Full details of our governance structures and policies can be found on pages 56-79 of the 2021 Annual Report and Form 20-F and in the Governance Appendix available on <u>orh.com</u>.

# Responsible corporate governance

What are the challenges and how are we managing them?

Today, organisations are dealing with complex pressures from stakeholders to incorporate social, environmental, market and technological trends into business strategies. We continue to embed all aspects of sustainability into our business strategy, ensuring our business is well-governed with good systems and behaviours aligned with our long-term interests. This better positions CRH to drive both our financial and societal performance, as well as ensure accountability, which builds legitimacy with stakeholders.



# Stakeholders tell us

In today's complex and uncertain world, focusing on near-term shareholder value alone is no longer enough to ensure long-term business success. Investors and other stakeholders are demanding greater transparency and improved oversight on sustainability aspects that affect business value. Boards should respond with urgency to consider value creation and preservation for all stakeholders."

Andy Beanland Director Redefining Value, WBCSD

#### + Integrity

# Reinforcing sustainability in our governance structures

We have strong governance structures in place that support the creation and delivery of longterm sustainable value. We will continue to embed all aspects of sustainability into our business strategy, procedures and goals.

## Sustainability governance

Sustainability, including the impact of climate change, is embedded in the Group's strategy and business model. Sustainability is, therefore, a regular topic at Board meetings. Overseen by the Board, the Group Chief Executive has overall responsibility for ensuring the effectiveness of our approach to managing all aspects of sustainability.

The Board has an established permanent committee with responsibility for monitoring developments related to sustainability and providing strategic direction, oversight and support to the Board on this important topic the Safety, Environment & Social Responsibility (SESR) Committee. The SESR Committee meets quarterly and receives regular updates on the Group's sustainability, health, safety and social performance. The Board also receives regular updates on these matters.

## Health and safety

During 2021, the Board and the SESR Committee monitored developments in the area of safety, examining the background to, and learnings from, serious accidents. Our strong culture of safety once again ensured we were able to quickly react to the dynamic challenge of COVID-19 and continue to implement best practices to protect the health and wellbeing of employees (see page 22 for more information).

## Inclusion and diversity

The Board and management are committed to building an inclusive and diverse organisation, in which talented people of all backgrounds are welcome and can work in an environment which enables them to perform at their best. This is supported, for example, by a specific target of 33% female senior leadership by 2030.

Inclusion and diversity is a standing item on SESR Committee agendas and the Committee receives regular updates on progress towards each of the priority objectives on the Group's I&D roadmap.

## Corporate purpose

In addition to monitoring CRH performance across sustainability matters, the SESR Committee initiated a project and is working with management to fully articulate CRH's purpose in a way that captures our aspirations beyond financial returns, communicates the unique nature of CRH, inspires our people, and guides our day-to-day operations, culture and strategy. This work on corporate purpose, together with the CRH approach to I&D and employee engagement, will continue to support the Board's assessment of the alignment of CRH's purpose, values and strategy with our culture.

## Employee engagement

The Board has delegated responsibility to the SESR Committee for managing stakeholder engagement, including with employees, to ensure that the views of all stakeholders are understood and taken into consideration in its decision-making process.

Further details of our engagement with employees during 2021 are set out on page 61 of our 2021 Annual Report and Form 20-F, available on <u>crh.com</u>.

## Monitoring our policies

Policy implementation and monitoring is a management responsibility across all businesses supported by safety officers, environmental liaison officers, country compliance coordinators and human resource managers. Sustainability risks are integrated into ERM processes to ensure effective monitoring and management.

The Group Sustainability department facilitates all Group sustainability reporting and external assurance. This involves supporting our businesses to better identify and address relevant sustainability topics, as well as reporting sustainability performance, including financial and non-financial KPIs, in both our Annual Report and annual Sustainability Report.



# Annual Report

Read more about our corporate governance structure in our 2021 Annual Report, available on <u>crh.com</u>

+ Sustainability performance section

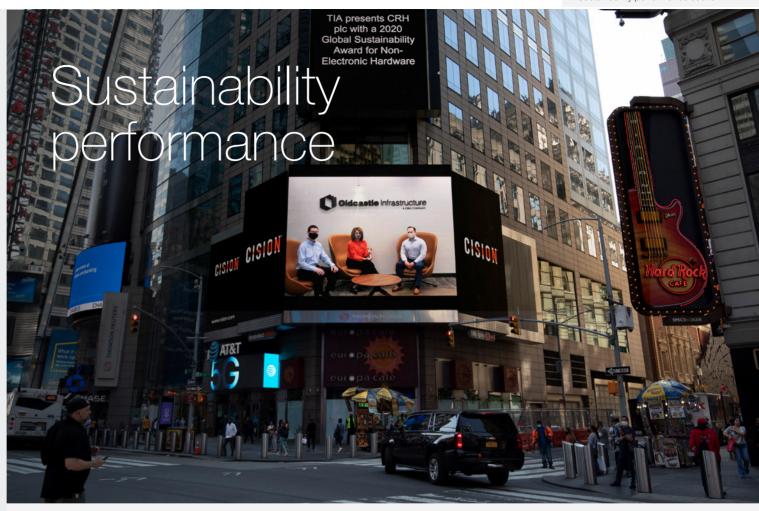




We recognise that a strong sustainability performance is key to a strong business, which is why sustainability is a strategic imperative for CRH. To drive continuous improvement, we monitor our progress across key sustainability areas and hold ourselves accountable to our stakeholders by being transparent.

Naomi Cooper, Head of Sustainability





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Image: Our businesses are recognised as leaders in implementing environmental best practices to meet stakeholder expectations. For example, Oldcastle Infrastructure, part of our Building Products Division, was awarded the Telecommunications Industry Association's (TIA) Annual Global Sustainability Award for outstanding performance and innovation in sustainability practices. To celebrate this achievement, Oldcastle Infrastructure had a photo shared in Times Square, New York.

# Reporting history, scope and basis

## History

We published our first report on our sustainability performance in October 2004. This Sustainability Report, published in March 2022, covers our activities during 2021 and KPIs cover the period January 2021 to December 2021. It is CRH's 19<sup>th</sup> annual report on sustainability and our 17<sup>th</sup> Sustainability Report.

## Independent assurance

Our report has been independently assured every year since 2005. You can find a detailed assurance statement on pages  $\cong$  85-86.

## **Reporting standards**

This report has been prepared in accordance with the GRI Reporting Standards Comprehensive Option. The GRI content index is provided from page 77.

In addition, the Report is in accordance with the Sustainability Accounting Standards Board (SASB) reporting standards, detailed on page 176.

We report in line with the Financial Stability Board's 'Task Force on Climate related Financial Disclosures' (TCFD). Further information mapping our disclosures to the TCFD standards is included on page 🗎 75.

# Reporting scope and basis for reporting

This report is based on data from 100% of our subsidiaries, covering the calendar year 2021. Our principal subsidiaries are listed on pages 260-263 of the CRH 2021 Annual Report and Form 20-F.

In common with other large companies, we also hold shares in joint ventures and associates; a list of principal joint ventures and associates is provided on page 264 of the CRH 2021 Annual Report and Form 20-F.

Data has been collated from over 3,235 locations, spread across 28 countries. We have a robust data collection and management process in place, as assured by DNV for specific KPIs.

Our basis for reporting follows the GCCA definitions, GRI definitions and SASB definitions; these are publicly available at <a href="http://www.gccassociation.org">www.gccassociation.org</a>, <a href="http://ww

This Sustainability Report was reviewed and approved by the Safety, Environment and Social Responsibility (SESR) Committee of the CRH Board prior to publication.

We believe that the scope of this report addresses the full range of environmental, social and governance (ESG) aspects of our organisation. We have considered the GRI's Reporting Principles for Defining Report Content. A formal materiality assessment carried out with the assistance of an independent third party ensured we identified and reported on the most material topics related to our business (see pages 15-16).

The boundary for all material aspects was considered to be within the organisation. We have considered the principles of stakeholder inclusiveness, sustainability context, materiality, completeness, balance, comparability, accuracy, timeliness, clarity and reliability and believe that this report meets these principles.

In general, administration buildings are not included in environmental data, as these are not material contributors - they would contribute to less than 0.01% of emissions, waste and resource use.

## Calculation methodologies

For reporting Scope 1  $CO_2$  emissions, we use the GCCA 'Sustainability Guidelines for the monitoring and reporting of  $CO_2$  from cement manufacturing' and the accompanying Excel spreadsheet, 'Cement  $CO_2$  and Energy Protocol, Version 3.1,

CO<sub>2</sub> Emissions and Energy Inventory'. In this methodology, CO<sub>2</sub> from biomass fuels is considered climate neutral.

We calculate  $CO_2$  emissions from other activities using appropriate emission factors and in line with the World Resources Institute Greenhouse Gas Protocol (Revised Edition).

We calculate Scope 2 CO<sub>2</sub> emissions from electricity in line with the location-based method of the World Resources Institute Greenhouse Gas Protocol Scope 2 Guidance (2015), using 'International Energy Agency (2021) Emissions Factors' (published in 2021) and eGRID2019 'Summary Table' for emissions factors (published in 2021).

We calculate Scope 3 CO<sub>2</sub> emissions estimations in line with the GHG Protocol's Scope 3 Standard and the GHG Protocol's Scope 3 Standard for cement companies, using the UK Government 'GHG conversion factors for company reporting 2021'. Reported Scope 3 emissions include the most relevant emissions categories for CRH operating company activities. CO<sub>2</sub> reduction targets have base years of 1990 in line with the Kyoto Protocol and standard industry practice for cement plants and 2020 for Groupwide operations.

For reporting energy, we convert quantities of energy used to multiples of kWh using appropriate calorific values where necessary. Data on reduction of energy consumption is consolidated from data reported by our businesses.

For reporting air emissions, we use the GCCA 'Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing'. The greater portion of air emissions are based on measurements – refer to pages ☐ 70-71 for details of the portion of emissions from cement plants covered by continuous monitoring systems. Air emissions from certain facilities in the US are calculated using US EPA AP-42 factors. Our 2020 air emissions reduction targets have a base year of 2006, as the targets were agreed in 2007 and 2006 was the latest full year for which data was available. For reporting of water, we used the GCCA Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing. For reporting of safety indicators, we use the GCCA 'Sustainability guidelines for the monitoring and reporting of safety in cement'.

## Intended audiences

The key audiences for this report are our stakeholders including employees, neighbours and local communities, current and potential investors, sustainability rating agencies, customers and suppliers, government and regulatory bodies, academia and the scientific community, media, Non-Governmental Organisations (NGOs) and pressure groups.

We believe that this report provides a reasonable and balanced representation of the Group's material sustainability areas of impact and opportunity. It is designed to enable stakeholders to assess the Group's performance across these areas.

## Reporting challenges

Our reports are written for our stakeholders, but with global and local stakeholders in 28 countries, expectations and needs vary significantly. In addition, our diversified business means that the internal and external context for sustainability is complex. To meet these challenges, we focus on stakeholder inclusiveness, which, together with our materiality and risk management processes, helps to ensure we cover key areas in a complete and balanced way in our sustainability reporting.

Sustainability reporting is evolving with revisions to reporting standards and changing best practices. During 2021, we participated in consultation processes in relation to transparency and reporting on sustainability. Looking to the future, we aim to continuously improve our reporting and communications on sustainability so that all stakeholders are aware of our value adding approach.

# Our sustainability policies

With our global presence and industry leadership positions, we are committed to ensuring that sustainability principles are embedded in all areas of our business strategy.

We are committed to maintaining the highest quality in all things we do, from the products we produce and our culture of safety, to engaging with stakeholders. Our high standards are underpinned by our unwavering values, including putting safety first, continuously creating value and leading with integrity.

We set policies in key sustainability areas at Group level, covering Health and Safety, Environment and Social. Our management team works closely with our businesses in implementing these policies, reinforcing our guiding principles and ensuring that our vision, mission and values are shared across the globe. The 'Statement of Policy' for each of these key sustainability areas can be seen here.

# Health & Safety, Statement of Policy

# All working in CRH must:

- Comply, at a minimum, with all applicable health and safety legislation by developing a culture of health and safety excellence, continuously striving to meet or exceed industry best practice standards
- Ensure that our companies provide a healthy and safe workplace for all employees and contractors and take due care of stakeholders such as customers, visitors and communities at all our locations, monitoring and reporting performance to ensure Policy compliance
- Maintain open communications and require all employees and contractors to work in a safe manner as mandated
- Ensure that appropriate resources, training and supervision are provided
- Ensure that everyone working at CRH has the authority and responsibility to stop unsafe work on a no-reprisals basis

## Environmental, Statement of Policy

## The CRH Environmental Policy, applied across operating companies, is to:

- Address proactively the challenges of climate change, reduce emissions and waste as well as optimise our use of energy, water, land and other resources
- Promote sustainable product and process innovation and new business opportunities
- Support and enhance biodiversity, ensuring responsible land use and biodiversity management
- Comply with or exceed all applicable environmental legislation and continually implement and improve our environmental management systems, always striving to meet or exceed industry best practice standards, monitoring and reporting performance
- Maintain open communications and ensure that our employees and contractors are aware of and adhere to their environmental responsibilities
- Maintain positive relationships with stakeholders through engagement and consultation, always striving to be good neighbours in every community in which we operate

## Social, Statement of Policy

## The CRH Social Policy, applied across all operating companies, is to:

- Comply at a minimum, with all applicable legislation and continuously improve our social stewardship, aiming at all times to meet or exceed industry best practice standards
- Support freedom of association and recognise the right to collective bargaining
- Apply the principle of equal opportunity, valuing diversity regardless of age, gender, disability, creed, ethnic origin or sexual orientation, while insisting that merit is the ultimate basis for recruitment and selection decisions
- Manage our businesses in a fair and equitable manner, meeting all our social responsibilities including working conditions, as both a direct and indirect employer
- Ensure that we deal responsibly with our suppliers and customers in accordance with our Code of Business Conduct, Supplier Code of Conduct and proper business practice
- Prohibit forced, compulsory and child labour in all forms including modern slavery

# Commitment to sustainability in our business strategy

# Data summary

We are committed to reporting on the breadth of our sustainability performance. The following non-financial data tables cover subsidiaries on a 100% basis, unless otherwise stated. GCCA KPIs are included where relevant. For details on external assurance conducted by DNV please see pages 🗟 85-86.

# Safety

Safety management	2021	2020	2019
Investment in health and safety over last 5 years (\$)	\$300m	\$260m	\$246m
Operations covered by safety management systems (%)	100%	100%	100%
Locations audited for safety (%)	<b>92</b> %	86%	86%
Locations in Europe certified to OHSAS 18001/ISO 45001(%)	54%	54%	43%
Accidents investigated (%)	100%	100%	100%
Safety meetings (%)	100%	100%	100%
Near misses recorded (%)	100%	100%	100%
Managing employee safety			
Employee safety induction (%)	100%	100%	100%
Employee disciplinary measures (%)	100%	100%	100%
Risk assessments (%)	100%	100%	100%
Managing contractor safety			
Number of contractor transport safety checks	194,300	158,600	238,400
Number of contractor disciplinary actions recorded and addressed	1,757	1,416	1,880
Operating companies having contractor site induction (%)	100%	100%	100%
Managing accidents	2021	2020	2019
Frequency rate (number of lost time accidents per million work-hours)	1.2	1.4	1.3
Zero accident locations (%)	94%	94%	94%
Severity rate per 1m work-hours (directly and indirectly employed)	29	39	34
Reducing accidents			
% average reduction in frequency rates over the past decade	8%	8%	10%
% average reduction in severity rates over the past decade	7%	6%	7%
Accidents by cause (%)			
Slips, trips, falls on the same level	31%	23%	28%
Falling object or moving objects	17%	22%	20%
Other or multiple causes	15%	13%	15%
Falls from height	9%	9%	9%
Lifting, overloading or overexertion	8%	10%	10%
Caught in or by vehicles, mobile plant	8%	5%	7%
		-	

Managing accidents continued	2021	2020	2019
Caught in or by fixed machinery	6%	10%	6%
Burns by heat or chemicals	3%	4%	3%
Power tools or electrical equipment	3%	4%	2%
Accidents by injury type (%)			
Arms, hands	36%	32%	33%
Legs, feet	30%	34%	29%
Back	9%	9%	10%
Unspecified or unknown	7%	4%	3%
Upper body, shoulder	6%	8%	14%
Head, neck	5%	6%	4%
Eye	4%	3%	2%
Multiple body parts	3%	4%	5%
Number of fatalities (directly employed)	0	0	0
Safety (GCCA KPIs - cement plants only)	2021	2020	2019
atality rate per 10000 (directly employed)	0	0	0
Number of fatalities (indirectly employed)	0	2	0
Number of fatalities (involving 3rd parties)	1	0	0
Number of lost time injuries (directly employed)	21	36	35
Number of lost days (directly employed)	676	1,021	859
TI frequency rate per 1m work-hours (directly employed)	1.32	2.09	1.87
TI severity rate per 1m work-hours (directly employed)	42	59	46
Number of lost time injuries (indirectly employed)	9	25	29
TI per 1m work-hours (indirectly employed)	0.37	1.18	1.00
Safety culture	2021	2020	2019
Employees involved in formal joint management/worker safety dialogue (%)	73%	73%	76%
	1.5m	1.4m	1.8m
lealth and safety training completed by employees (hours)			
Health and safety training completed by employees (hours) Health and safety training completed per employee (hours)	20.0	19.2	23.2

Companies offering assistance with employee health insurance (%)

92%

91%

91%

# Environment

Energy	2021	2020	2019
Total energy use (TWh)	57.0	54.8	55.8
Energy use from businesses with energy reduction targets (%)	99%	99%	99%
Energy saved (GWh)	168	217	241
Renewable electricity purchased by CRH (GWh)	1,669	1,834	1,849
Electrical energy from renewable resources (%)	25%	25%	25%
Increase in renewable electricity over the last 5 years (%)	102%	138%	138%
Europe locations certified to ISO 50001	775	800	1000
Europe materials activity locations certified to ISO 50001 (%)	69%	67%	67%
Energy conversion costs (\$)	\$1,540m	\$1,268m	\$1,464m
Energy conversion costs (% of total cost of sales)	7.5%	6.9%	7.8%
Energy use by source (%)			
Coal	24%	21%	25%
Natural gas and LPG	23%	24%	21%
Used oil and alternative fuels	22%	22%	22%
Electricity	13%	13%	13%
Petcoke	12%	13%	13%
Diesel and oils	6%	6%	6%
Other	<1%	<1%	<1%
Energy use by activity (%)			
Cement	71%	72%	73%
Materials	18%	17%	16%
Lime	7%	7%	7%
Concrete	3%	3%	3%
Building products	1%	1%	1%

2020

11.3%

901 34.3% **2019** 890

31.1%

9.2%

CO <sub>2</sub> emissions	2021	2020	2019
Scope 1 emissions (tonnes)	33.4m	32.4m	33.9m
Scope 2 emissions (tonnes)	2.6m	2.6m	2.6m
Scope 3 emissions (tonnes)	12.0m	10.9m	13.6m
Scope 1 emissions by source (%)			
Decarbonation	60%	60%	61%
Coal	14%	12%	14%
Used oil and alternative fuels	8%	8%	8%
Natural gas and LPG	7%	8%	6%
Petcoke	7%	8%	7%
Diesel and oils	3%	3%	3%
Transport	1%	1%	1%
Scope 1 emissions by activity (%)			
Cement	82%	82%	83%
Lime	10%	10%	10%
Materials	6%	6%	5%
Concrete	1%	1%	1%
Building Products	<1%	<1%	<1%
Transport	1%	1%	1%
Greenhouse Gas Emissions Scope 1 and Scope 2 CO <sub>2</sub> emissions (kg/\$ revenue)	1.2	1.3	1.2

CO <sub>2</sub> emissions (GCCA KPIs - cement plants only)	2021	2020	2019	
Total gross CO <sub>2</sub> emissions (tonnes)	27.3m	26.5m	29.9m	
Total net CO <sub>2</sub> emissions (tonnes)	24.9m	24.2m	27.5m	
Specific gross CO <sub>2</sub> emissions (kg per tonne of cementitious product)*	643	643	660	
Specific net CO <sub>2</sub> emissions (kg per tonne of cementitious product)*	586	586	602	

* Due to the material impact of the divestment of our cement assets in Brazil, our CO2 emissions per tonne of
cementitious product for 2020 and 2019 are restated excluding Brazil (previously reported figures; Gross: 2020:
627kg, 2019: 641kg; Net: 2020: 573kg, 2019: 590kg)

Energy (GCCA KPIs - cement plants only)	2021
Energy efficiency (kcal per kg of clinker)	904
Fuel substitution for virgin fuels (%)	33.0%
Biomass in kiln fuel (%)	8.9%

Alternative fuels and materials	2021	2020	2019
Total alternative fuels and materials (tonnes)	39.5	36.5	37.5
Total alternative fuels (tonnes)	2.1m	2.1m	2.2m
Alternative fuels (cement plants) (tonnes)	2.1m	2.1m	2.2m
Fuel substitution for virgin fuels in EU (cement plants) (%)	50%	51%	48%
Alternative fuels used in cement plants			
SRF, tyres and other non-biomass	68%	62%	66%
Biomass	29%	35%	30%
Used oil and alternative fuels	3%	3%	4%
Total alternative materials (tonnes)	37.4m	34.4m	35.3m
Internal by-products (tonnes)	3.1m	2.6m	2.5m
RAP and shingles (tonnes)	10.6m	10.5m	10.8m
C&D waste (tonnes)	10.0m	10.5m	10.2m
Other materials (tonnes)	13.7m	10.8m	11.8m
Alternative raw materials (cement plants) (tonnes)	8.0m	8.5m	8.7m
Alternative materials used in cement plants (%)			
GGBS	44%	49%	50%
Industrial by-products	23%	23%	26%
Fly-ash	17%	16%	13%
Soils	12%	8%	7%
Internal by-products	4%	4%	4%

Air emissions	2021	2020	2019
Total air emissions			
Total NO <sub>x</sub> (tonnes)	42.9k	42.6k	44.6k
Total SO <sub>x</sub> (tonnes)	16.3k	15.9k	15.9k
Total particulates (tonnes)	3.9k	4.7k	5.5k
IO <sub>x</sub> by activity (%)			
Cement	93%	94%	93%
Materials	4%	4%	4%
Lime	3%	3%	3%
Concrete	<1%	<1%	<1%
Building products	<1%	<1%	<1%
SO <sub>x</sub> by activity (%)			
Cement	93%	93%	93%
Materials	4%	4%	4%
Lime	3%	3%	3%
Concrete	<1%	<1%	<1%
Building products	<1%	<1%	<1%
Particulates by activity (%)			
Cement	53%	48%	57%
Materials	41%	37%	32%
Lime	5%	5%	6%
Concrete	1%	10%	5%
Building products	<1%	<1%	<1%

Transport	2021	2020	2019
Companies with initiatives to optimise transport use (%)	71%	67%	64%
Produced goods delivered with initiatives to optimise transport use (%)	94%	94%	93%
Transport of products by own trucks (%)	25%	24%	23%
Fuel used by our company trucks (litres)	157m	157m	160m

Emissions (GCCA KPIs - cement plants only)	2021	2020	2019
Clinker produced with monitoring of major and minor emissions (%)	85.0%	83.9%	66.1%
Clinker produced using continuous monitoring of major emissions (%)	98.7%	98.8%	98.8%
Particulates			
Specific (g per tonne of clinker)	34	31	51
Total (tonnes)	1,093	981	1,797
Coverage rate (%)	98.7%	98.8%	95.0%
NO <sub>x</sub>			
Specific (g per tonne of clinker)	1,140	1,221	1,189
Total (tonnes)	37,041	39,027	42,180
Coverage rate (%)	98.7%	98.8%	95.0%
SO <sub>x</sub>			
Specific (g per tonne of clinker)	394	429	381
Total (tonnes)	12,806	13,722	13,533
Coverage rate (%)	98.7%	98.8%	95.0%
VOC/THC (total hydrocarbons including methane and ethane expressed as carbon)			
Specific (g per tonne of clinker)	39	46	168
Total (tonnes)	1,214	1,367	5,021
Clinker produced with monitoring (%)	95.3%	93.9%	84.3%
PCDD/F (sum of 17 congeners of NATO scheme expressed as I-TEQ)			
Specific (ng per tonne of clinker)	21	25	29
Total (mg)	693	763	880
Clinker produced with monitoring (%)	100.0%	94.9%	85.0%
Hg (mercury and its compounds expressed as mercury)			
Specific (mg per tonne of clinker)	18	21	24
Total (kg)	579	657	738
Clinker produced with monitoring (%)	100.0%	100.0%	88.3%
HM1 (sum of cadmium and thallium and their compounds expressed as cadmium and thallium)			
Specific (mg per tonne of clinker)	14	12	24
Total (kg)	450	342	625
Clinker produced with monitoring (%)	100.0%	92.1%	73.3%
HM2 (sum of antimony, arsenic, lead, chromium, cobalt, copper, manganese, nickel and vanadium and their compounds expressed as antimony, arsenic, lead, chromium, cobalt, copper, manganese, nickel and vanadium)			
Specific (mg per tonne of clinker)	261	223	785
Total (kg)	7,882	5,654	19,341
Clinker produced with monitoring (%)	93.1%	79.4%	69.5%

Water	2021	2020	2019
Water withdrawal (m³)	116.3m	109.9m	108.7m
Water withdrawal by source (%)			
Groundwater (well)	31%	33%	31%
Surface water	22%	24%	25%
Quarry water	21%	21%	22%
Rainwater	15%	13%	13%
Utility (mains)	11%	9%	9%
Water withdrawal by activity (%)			
Materials	75%	72%	75%
Cement	22%	22%	21%
Concrete	2%	5%	2%
Lime	1%	1%	2%
Building products	<1%	<1%	<1%
Water discharge (m³)	29.5m	30.6m	33.1m
Locations that recycled water	910	903	895
Water intake reduction (%)	56%	59%	59%
Active locations within/close to areas of water stress (%)	<1%	<1%	<1%

Water (GCCA KPIs - cement plants only)	2021	2020	2019
Nater withdrawal by source (m <sup>3</sup> )	24.4m	23.4m	23.8m
Groundwater (well)	8.1m	8.4m	8.7m
Surface water	6.9m	6.7m	7.7m
Quarry water	2.0m	1.9m	2.6m
Rainwater	5.8m	5.7m	4.1m
Utility (mains)	1.6m	0.7m	0.7m
Sites with a water recycling system	58%	58%	58%
Nater consumption (m <sup>3</sup> )	10.5m	9.8m	11.5m
Vater consumption per tonne of cementitious product for Cement Sector (litres/t)	247	232	246
Nater discharge by destination (m <sup>3</sup> )	13.9m	13.6m	12.4m
Surface water	13.5m	13.3m	12.2m
Public sewer	0.1m	0.1m	0.1m
Other	0.3m	0.2m	0.1m

Effluents and waste	2021	2020	2019
Water discharge by quality and destination (m <sup>3</sup> )	29.5m	30.6m	33.1m
Surface water (%)	83%	79%	86%
Public sewer (%)	3%	9%	3%
Other (%)	14%	12%	12%
Total waste generated (tonnes)	2.1m	2.0m	2.4m
Waste by type and disposal method (tonnes)			
Inert waste (tonnes)	1,668k	1,381k	1,531k
Non-hazardous waste (tonnes)	395k	603k	784k
Hazardous waste (tonnes)	40k	49k	62k
Waste externally recycled (%)	86%	78%	80%
Waste recycled (%)			
Inert	94%	85%	84%
Non-hazardous	56%	64%	74%
Hazardous	74%	38%	51%
Waste by activity (%)			
Materials	58%	56%	55%
Concrete	29%	31%	36%
Building products	5%	6%	4%
Cement	7%	7%	4%
Lime	<1%	<1%	1%
By-products diverted from waste streams (tonnes)	3.1m	2.6m	2.5m

Local impacts	2021	2020	2019
Locations noted for biodiversity	507	527	509
Relevant locations in sensitive areas with BMPs in place (%)	90%	91%	68%
Quarry and pit area reinstated (hectares)	728	527	782
Locations preserving cultural heritage	74	73	72
Relevant extractive areas which have restoration plans	100%	100%	99%
Number of active quarries within, containing or adjacent to areas designated for their high biodiversity value (cement)	32	32	33
Sites with community engagement plans in place (%)	96%	88%	88%

Local impacts (GCCA KPIs - cement plants only)	2021	2020	2019	
Active sites with quarry rehabilitation plans (%)	100%	93%	90%	
Sites with high biodiversity value where Biodiversity Management Plans are actively implemented (%)	78%	84%	82%	

Environmental management	2021	2020	2019
Locations certified to ISO 14001 EMS	878	870	900
Clinker plants ISO 14001 certified (%)	95%	91%	89%
Fines paid to regulatory authorities (\$)	\$32k	\$390k	\$221k
Environmental expenditure (\$)	\$207m	\$173m	\$198m
Significant areas of environmental expenditure (%)			
Emissions reduction	33%	26%	36%
Monitoring licensing and other operational expenses	21%	28%	20%
Waste management and reduction	17%	17%	17%
Restoration and biodiversity	12%	12%	11%
Reduction of water usage and discharge	9%	10%	7%
Increasing use of alternative materials and fuels	3%	2%	2%
Energy reduction and process optimisation	2%	2%	4%
Other	3%	3%	3%

Materials and products	2021	2020	2019
Materials used by weight or volume (total) (tonnes)	454m	424m	438m
Virgin raw materials (tonnes)	402m	371m	383m
Associated process materials (tonnes)	2m	7m	7m
Semi-manufactured components (tonnes)	49m	46m	47m
Packaging materials (tonnes)	179k	374k	342k
Substituted virgin materials (%)	9%	8%	8%
Revenue from products and building solutions with enhanced sustainability attributes (%)	46%	46%	44%
Revenue from products that can be used in certified sustainable building schemes (%)	28%	25%	24%
Companies who carried out formal customer surveys (%)	55%	52%	58%
Completed customer surveys indicating above average levels of satisfaction (%)	91%	93%	93%

Materials and products (GCCA KPIs - cement plants only)	2021	2020	2019
Alternative materials (clinker and cement) (%)	<b>11.9</b> %	13.0%	14.7%
Clinker : Cement ratio	78.4	77.5	77.3

# Data summary continued

# Social

Employees	2021	2020	2019
Total employees	77,400	77,100	80,300
Male	85%	86%	86%
Female	15%	14%	14%
Employees by category (%)	2021	2020	2019
Clerical/admin	17%	17%	18%
Managerial	13%	13%	12%
Operations	70%	70%	70%
Employees by category (% female)	2021	2020	2019
	<b>2021</b> 46%	<b>2020</b> 45%	<b>2019</b> 45%
Employees by category (% female) Clerical/admin Managerial		_	

United States       53%       50%       50%         Other       18%       18%       18%         United Kingdom       11%       12%       12%         Canada       6%       7%       7%         France       3%       3%       3%         Ireland       3%       3%       3%         Poland       3%       3%       3%	Employees by country (%)	2021	2020	2019
United Kingdom         11%         12%         12%           Canada         6%         7%         7%           France         3%         4%         4%           Germany         3%         3%         3%           Ireland         3%         3%         3%	United States	53%	50%	50%
Canada         6%         7%         7%           France         3%         4%         4%           Germany         3%         3%         3%           Ireland         3%         3%         3%	Other	18%	18%	18%
France         3%         4%         4%           Germany         3%         3%         3%           Ireland         3%         3%         3%	United Kingdom	11%	12%	12%
Germany         3%         3%           Ireland         3%         3%	Canada	6%	7%	7%
Ireland         3%         3%	France	3%	4%	4%
	Germany	3%	3%	3%
Poland 3% 3%	Ireland	3%	3%	3%
	Poland	3%	3%	3%

Employee geographical breakdown (%)	2021	2020	2019	
National (country of incorporation - Ireland)	3%	3%	3%	
Europe (excl. National part)	36%	37%	37%	
North America	59%	57%	57%	
South America	0%	<1%	<1%	
Asia/Pacific	2%	2%	2%	
Middle East/Africa	0%	0%	0%	

Employees length of service (%)	2021	2020	2019
<1 year	17%	11%	15%
1-4 years	27%	31%	29%
5-9 years	18%	18%	16%
10-14 years	10%	11%	12%
15-19 years	10%	10%	10%
20-24 years	8%	8%	7%
>25 years	10%	11%	11%

Employees by age (%)	2021	2020	2019
19 or younger	1%	<1%	1%
20-24	5%	5%	5%
25-29	9%	9%	10%
30-39	22%	22%	22%
40-49	24%	25%	25%
50-59	26%	27%	26%
60 or older	13%	12%	11%

New employees (%)	2021	2020	2019
Male	85%	87%	86%
Female	15%	13%	14%

New employees by region (%)	2021	2020	2019
Americas	75%	78%	74%
Europe	24%	21%	25%
Asia	1%	1%	1%

Employee turnover	2021	2020	2019
Male	88%	87%	87%
Female	12%	13%	13%

# Data summary continued

Inclusion and diversity	2021	2020	2019
Board Directors (% female)	33%	42%	42%
Senior managers (% female)	14%	13%	11%
Senior leadership (% female)	22%	16%	15%
Managerial employees in revenue generating positions (% female)	12%	11%	12%
Graduates recruited into STEM-related positions (% female)	32%	30%	24%
Number of employees with disabilities	1,168	1,132	1,416

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Trade union membership and collective bargaining	2021	2020	2019
Overall membership (%)	20%	22%	22%
Lost days due to industrial action (%)	0.09%	0.0006%	0.003%
Lost days due to industrial action	17,042	109	731
Employees employed locally (%)	95%	95%	95%
Employees with wages negotiated individually (%)	39%	36%	38%
Employees with wages negotiated with unions (%)	29%	31%	32%
Employees with wages negotiated through national deals (%)	3%	3%	3%
Wage reviews carried out on individual basis or through trade unions or national deals (%)	71%	70%	73%

Training and education	2021	2020	2019
Total training hours	2.4m	2.1m	2.7m
Training received (hours per employee)	31.0	28.5	34.1
Environmental	0.8	0.6	0.9
Human rights	0.9	0.9	0.6
Management and other education	5.3	3.8	4.5
Quality, technical and IT	4.0	4.0	4.9
Safety	20.0	19.2	23.2
Employees who received some training in the reporting year (%)	97%	96%	98%
Employee training by category (% of total training hours)			
Clerical/admin	12%	13%	13%
Managerial	13%	12%	11%
Operations	75%	75%	76%
Employees receiving career development (%)			
Clerical/admin	47%	40%	29%
Managerial	67%	59%	54%
Operations	47%	42%	28%

Employee engagement	2021	2020	2019
Employees participating in regular employee briefings (%)	89%	87%	87%
Employees surveyed formally for employee engagement and satisfaction (%)	54%	48%	34%

Local communities	2021	2020	2019
Donations (\$)	\$7.1m	\$8.3m	\$7.4m
Number of stakeholder engagement events (approx.)	1,100	810	1,400

\* Please Note: Data refers to subsidiaries on a 100% basis unless otherwise stated. GCCA KPIs refer to cement plants only. Refer to www.gccassociation.org for definitions of these KPIs.

- "Accident", in the context of safety statistics, refers to a non-fatal work-related injury to a company's, contractor's or sub-contractor's employee working at a CRH location (office, production, distribution, etc.) or contract location, or in work-related transit from or between those locations, leading to an absence of one or more days (or shifts) from work (not counting the day of the accident).
- 2. "Fatality" refers to the work-related death of a company's, contractor's or sub-contractor's employee at a CRH location (office, production, distribution, etc.) or contract location. Exemptions to reporting are in accordance with the GCCA Guidelines and in summary include death due to natural causes, death due to criminal or illegal acts or death while in transport to and from work.
- 3. "Recordable incidents" refers to all injuries (both on-site and off-site) including fatalities, accidents and all injuries requiring medical treatment (but not first aid) to a company's, contractor's or sub-contractor's employee working at a CRH location (office, production, distribution etc.) or contract location, or in work-related transit from or between those locations.

# **TCFD**

### Task Force on Climate-related **Financial Disclosures**

We report in line with the Financial Stability Board's 'Task Force on Climate-related Financial Disclosures' (TCFD) and provide information consistent with the TCFD's recommendations and recommended disclosures in our 2021 Annual Report, available at crh.com.

Further information mapping our disclosures to the TCFD standards is included on this page.



#### Governance

#### Disclose the organisation's governance around climate-related risks and opportunities

Recommended Disclosures	Sustainability Report	Annual Report and Form 20-F
<ul> <li>Board's oversight of climate-related risks and opportunities</li> </ul>	pg. 🗎 63-64	pg. 28
Management's role	pg. 🗎 64	pg. 28
Risk governance structure	pg. 🗎 64	pg. 33

### Strategy

#### Disclose the impacts of climate-related risks and opportunities

Recommended Disclosures	Sustainability Report	Annual Report and Form 20-F
<ul> <li>Risks and opportunities for the short, medium, and long-term</li> </ul>	pg. 🗎 13-14	pg. 29
Impact on business strategy and financial planning	pg. 🗎 10,14	pg. 29
Resilient strategy and scenario planning	pg. 🗎 14	pg. 29, 30



TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

#### **Risk management**

Disclose how the organisation identifies, assesses, and manages climate-related risks

Recommended Disclosures	Sustainability Report	Annual Report and Form 20-F
Climate-related risk identification	pg. 🗎 13-14	pg. 29
Climate-related risk management	pg. 🗎 13-14	pg. 29
Integration into overall risks	pg. 🗎 13-14	pg. 29



Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities

Recommended Disclosures	Sustainability Report	Annual Report and Form 20-F
Climate-related metrics	pg. 🗎 67-70	pg. 31
Disclose Scope 1, 2 and 3 emissions	pg. 🗎 28,69	pg. 31
Climate-related targets	pg. 🗎 18-19, 28	pg. 21, 23, 31

# Sustainability Accounting Standards Board

SASB is an independent, private sector standards-setting organisation, dedicated to enhancing the efficiency of the capital markets, by fostering high-quality disclosure of material sustainability information that meets investor needs. The table below cross-references the SASB accounting metrics with where that information can be found in the CRH Sustainability Report 2021 (labelled pg. ).

Торіс	Accounting metric	Unit of	SASB Code	Reference
Greenhouse	Gross global Scope 1 emissions	Metric tonnes (t) CO2-e	EM-CM-110a.1	pg. 🗎 28, pg. 🗎 66 and pg. 🗎 69. CO₂ is the only material GHG.
gas emissions	Percentage covered under emissions-limiting regulations	Percentage (%)	EM-CM-110a.1	pg. 🗎 27 and pg. 🗎 66.
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	EM-CM-110a.2	pg. 🗎 17-18 and pg. 🗎 27-32.
Air quality	1. NO <sub>x</sub> (excluding N <sub>2</sub> O)	Metric tonnes (t)	EM-CM-120a.1	pg. 🗎 70-71.
	2. SO <sub>x</sub>	Metric tonnes (t)	EM-CM-120a.1	pg. 🗎 70-71.
	3. Particulate matter (PM10)	Metric tonnes (t)	EM-CM-120a.1	pg. [] 70-71. Total Particulates as reported accounts for all particulate matter as measured; a portion of this would include PM10 (i.e. particulate matter with particles having diameters less than 10 micrometers in size).
	4. Dioxins/furans	Metric tonnes (t)	EM-CM-120a.1	pg. 71. Cement is the only material activity reporting dioxins/furans.
	5. Volatile organic compounds (VOCs)	Metric tonnes (t)	EM-CM-120a.1	pg. 271. We disclose VOCs in line with GCCA requirements.
	6. Polycyclic aromatic hydrocarbons (PAHs)	Metric tonnes (t)	EM-CM-120a.1	pg. 🗎 71.
	7. Heavy metals	Metric tonnes (t)	EM-CM-120a.1	pg. 171. Cement is the only material activity reporting Hg and HM1.
Energy management	1. Total energy consumed	Gigajoules (GJ)	EM-CM-130a.1	pg. 🗎 33 and pg. 🗎 80.
	2. Percentage grid electricity	Percentage (%)	EM-CM-130a.1	pg. 🗎 33.
	3. Percentage alternative	Percentage (%)	EM-CM-130a.1	pg. 🗎 33.
	4. Percentage renewable	Percentage (%)	EM-CM-130a.1	pg. 🗎 33 and pg. 🗎 69.
Water management	1. Total fresh water withdrawn	Thousand cubic metres (m	3) EM-CM-140a.1	pg.
	2. Percentage recycled	Percentage (%)	EM-CM-140a.1	Information on the number of sites that recycle water and percentage of water intake reduced can be found on pg. $\blacksquare$ 39 pg. $\blacksquare$ 71.
	3. Percentage in regions with "High" or "Extremely High" baseline water stress	Percentage (%)	EM-CM-140a.1	We have conducted water stress assessments in accordance with WRI's Aqueduct Risk Atlas Tool and determined that <1% of active locations are in high or extremely high-risk areas of water stress, and that Group activities do not highly impact on water, and locations generally do not operate in water-stressed areas. See pg.  ☐ 39 for more information.
Waste management	Amount of waste generated	Metric tonnes (t)	EM-CM-150a.1	pg. 🗎 38 and pg. 🗎 72.
	Percentage hazardous	Percentage (%)	EM-CM-150a.1	pg. 🗎 38 and pg. 🗎 72.
	Percentage recycled	Percentage (%)	EM-CM-150a.1	pg. 🗎 38.
Biodiversity impacts	Description of environmental management policies and practices for active sites	n/a	EM-CM-160a.1	pg. 🗎 34 and pg. 🗎 67.
	Terrestrial acreage disturbed	Acres (ac)	EM-CM-160a.2	Information on restoration planning processes and relevant targets can be found on pg. 35.
	Percentage of impacted area restored	Percentage (%)	EM-CM-160a.2	Information on restoration planning processes and relevant targets can be found on pg. 35.
Workforce health	1. Total recordable incident rate (TRIR)	Rate	Rate	pg. 868. We disclose our safety KPIs in line with GCCA requirements.
and safety	2. Near miss frequency rate (NMFR) for (a) fulltime employees	Rate	Rate	pg. 68. We disclose our safety KPIs in line with GCCA requirements.
	2. Near miss frequency rate (NMFR) for (b) contract employees	Rate	Rate	pg. 68. We disclose our safety KPIs in line with GCCA requirements.
	Number of reported cases of silicosis	Number	Number	Information on the management of occupational health can be found on pg. 25.
Product innovation	Percentage of products that qualify for credits in sustainable building design and construction certifications	Percentage (%) by annual sales revenue	EM-CM-410a.1	pg. ∏ 47.
	Total addressable market for products that reduce energy, water, and/or material impacts during usage and/or production	Reporting currency	EM-CM-410a.2	pg. 🚍 29, pg. 🚍 30-33, pg. 🚔 38 and pg. 🚔 47-49.
	Share of market for products that reduce energy, water, and/or material impacts during usage and/or production	Percentage (%)	EM-CM-410a.2	pg. 🗎 29, pg. 🗎 30-33, pg. 🗎 38 and pg. 🗎 47-49.
Pricing integrity and transparency	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities	Reporting currency	EM-CM-520a.1	In 2021, CRH had zero monetary losses as a result of legal proceedings associated with these activities, per SASB's guidance.

# GRI index

Where relevant, GRI Standards reference indicator codes are shown with either the relevant figure or the page number where the information may be found. Pages within the Sustainability Report are labelled ["pg. ] "] while "AR." refers to the page number within the CRH 2021 Annual Report and Form 20-F, "GA." refers to the CRH 2021 Governance Appendix and "TS" refers to the CRH Tax Strategy. GRI covers all Group subsidiary companies, on a 100% basis. For details on external assurance conducted by DNV please see pages 85-86.

### GRI 102 General disclosures

GRI Code	Description	2021 Reference	Comment
	Organisational profile		
102 - 1	Name of the organisation	pg. 📄 77. See comment	CRH plc.
102 - 2	Activities, brands, products and services	pg. 📄 3, 11, 47, 48	
102 - 3	Location of headquarters	pg. 📄 77. See comment	Dublin, Ireland.
102 - 4	Location of operations	pg. 📄 <b>3;</b> AR pg. 260-264, 266-267	
102 - 5	Ownership and legal form	pg. 📄 3, 77. See comment	CRH is a public limited company, incorporated in Ireland.
102 - 6	Markets served	pg. 📄 3; AR pg. 260-264, 266-267	
102 - 7	Scale of organisation	pg. 📄 <b>3, 11, 41;</b> AR pg. 2-3, 42-53, 266-267	
102 - 8	Information on employees and other workers	pg. 🗎 24, 41-43, 45, 73, 77. See comment	Note that 51% of employees are employed on permanent contracts, 2% on fixed term contracts, 1% on temporary contracts and 46% on another basis. As only 1% of staff are on temporary contracts, it is estimated that the standard gender breakdown - 15% female - applies to both permanent and temporary staff. Overall, approximately 2% of employees are part-time. It is estimated that 46% of part-time staff are female, while 15% of full-time staff are female. Note that the data in the chart on page 73 and the tables on page 74 includes both permanent and temporary employees.
102 - 9	Supply chain	pg. 📄 <b>55-56</b>	
102 - 10	Significant changes to the organisation and its supply chain	pg. 📄 77. See comment	No significant changes.
102 - 11	Precautionary approach or principle	pg. 📄 13-16, 47, 77. See comment	CRH takes sustainability considerations into account at operational level when developing and introducing products.
102 - 12	External initiatives	pg. 9, 12, 22, 25, 27, 30-32, 35-36, 42, 48, 57, 58, 75	
102 - 13	Membership of associations	pg. 📄 <b>22, 32, 35-36, 48</b>	
	Strategy		
102 - 14	Statement from most senior decision-maker	pg. 📄 <b>4</b>	
102 - 14	Key impacts, risks and opportunities	pg. 13-16, 34-35, 41, 47, 54-55, 57, 60-61	
102 - 15	Ethics and integrity	pg.	
102 - 16		pg. 📄 <b>9, 61-62, 67</b>	
102 - 16	Values, principles, standards, and norms of behaviour Mechanisms for advice and concerns about ethics	pg. <b>■ 9, 61-62, 67</b> pg. <b>■ 62</b>	
102 - 17	Mechanisms for advice and concerns about ethics	pg. <b>_ 02</b>	
	Governance		
102 - 18	Governance structure	pg. 📄 <b>63;</b> AR pg. 59-70	
102 - 19	Delegating authority	pg. 📄 <b>63-64;</b> AR pg. 56-59	
102 - 20	Executive-level responsibility for economic, environmental and social topics	pg. 📄 <b>64</b>	
102 - 21	Consulting stakeholders on economic, environmental and social topics	pg. 📄 <b>42-43, 51-53, 63;</b> AR pg. 60-62, 75	
102 - 22	Composition of the highest governance body and its committees	pg. 📄 <b>63;</b> AR pg. 56-59, 70-71	
102 - 23	Chair of the highest governance body	pg. 📄 <b>63-64;</b> AR pg. 56, 60	
102 - 24	Nominating and selecting the highest governance body	pg. 📄 <b>63;</b> AR pg. 60-62, 70-75	
102 - 25	Conflicts of interest	pg. 📄 <b>62;</b> AR pg. 60-62, 70-72; GA pg. 2	
102 - 26	Role of highest governance body in setting purpose, values and strategy	pg. 📄 <b>63-64;</b> AR pg. 33-34, 60-62, 72-73	
102 - 27	Collective knowledge of highest governance body	pg. 📄 <b>64;</b> AR pg. 56-59, 70-73	
102 - 28	Evaluating the highest governance body's performance	pg. <b>63, 77;</b> AR pg. 61, 72; GA pg. 1-2. See comment	For further details of the Board Effectiveness Review, refer to the Governance Appendix, available on crh.com.
102 - 29	Identifying and managing economic, environmental, and social impacts	pg. 📄 <b>64;</b> AR pg. 28-29, 32-35, 61-62, 76-79	
102 - 30	Effectiveness of risk management processes	pg. 📄 <b>13-14, 64</b> ; AR pg. 32-35	
102 - 31	Review of economic, environmental and social topics	pg. 📄 <b>17-18, 63;</b> AR pg. 32-35, 76-79	
102 - 32	Highest governance body's role in sustainability reporting	pg. 📄 66	
102 - 33	Communicating critical concerns	pg. 📄 <b>62</b>	
102 - 34	Nature and total number of critical concerns	pg. 📄 62, 77; GA pg. 2-3. See comment	Confidentiality concerns: CRH does not disclose the minutes of Board meetings as this may include commercially-sensitive information.
102 - 35	Remuneration policies	pg. 📄 AR pg. 80-109	
102 - 36	Process for determining remuneration	pg. 📄 AR pg. 80-109	
102 - 37	Stakeholder's involvement in remuneration	pg. 📄 AR pg. 80-109	
102 - 38	Annual total compensation ratio	pg. 📄 77. See comment	Currently unavailable. CRH does not centrally collect data on the level of pay to each of its employees in all countries (required for median pay figure). CRH reviews annually the scope of data collection and where appropriate and practicable in future will gather and report on this topic.
102 - 39	Percentage increase in annual total compensation ratio	pg. 📄 77. See comment	Currently unavailable. CRH does not centrally collect data on the level of pay to each of its employees in all operating countries (required for median pay figure). CRH reviews annually the scope of data collection and where appropriate and practicable in future will gather and report on this topic.

GRI Code	Description	2021 Reference	Comment
	Stakeholder engagement		
102 - 40	List of stakeholder groups	pg. 📄 <b>51-53</b>	
102 - 41	Collective bargaining agreements	pg. 📄 <b>45</b>	
102 - 42	Identifying and selecting stakeholders	pg. 📄 <b>15-16, 51-53</b>	
102 - 43	Approach to stakeholder engagement	pg. 📄 <b>15-16, 49, 51-53, 57, 64</b>	
102 - 44	Key topics and concerns raised	pg. 📄 <b>15-16, 50-57</b>	
	Reporting practices		
102 - 45	Entities included in the consolidated financial statements	pg. 📄 <b>66;</b> AR pg. 260-264	
102 - 46	Defining report content and topic boundaries	pg. 📄 <b>15-16, 66</b>	
102 - 47	List of material topics	pg. 📄 <b>15-16</b>	
102 - 48	Restatements of information	pg. 📄 78. See comment	No restatements.
102 - 49	Scope or aspect boundary changes	pg. 📄 78. See comment	No significant scope or boundary change.
102 - 50	Reporting period	pg. 📄 66	
102 - 51	Date of most recent report	pg. 📄 <b>66</b>	
102 - 52	Reporting cycle	pg. 📄 66	
102 - 53	Contact point for questions regarding the report	pg. 📄 <b>78.</b> See comment	Back cover.
102 - 54	Claims of reporting in accordance with GRI Standards	pg. 📄 <b>66, 85</b>	
102 - 55	GRI Content index	pg. 📄 <b>77-84</b>	
102 - 56	External assurance	pg. 📄 <b>85-86</b>	

## GRI 200 Economic Topics

GRI Code	Description	2021 Reference	Comment
GRI 201	Economic performance		
103 - 1	Explanation of the material topic and its Boundary	pg. 📄 <b>3, 5, 9-10, 15-16, 60;</b> AR pg. 1-3, 8-9	
103 - 2	The management approach and its components	pg. 📄 <b>3, 9-11, 55-56, 60, 63-64, 66;</b> AR pg. 56-59	
103 - 3	Evaluation of the management approach	pg. 📄 <b>3, 9-11, 13, 60, 63-64, 66;</b> AR pg. 56-59	
201 - 1	Direct economic value generated and distributed	\$31.0 billion sales. pg. 📄 <b>78;</b> AR pg. 1-5. See comment	CRH discloses financial information in the Annual Report and Form 20-F in line with International Financial Reporting Standards (IFRS). CRH also publishes a Payments to Governments for Extractive Activities Report, available on <u>crh.com.</u>
201 - 2	Financial implications and other risks and opportunities due to climate change	pg. <b>27-28, 30-33, 47, 75;</b> AR pg. 18, 23, 34, 118, 235	
201 - 3	Defined benefit plan obligations and other retirement plans	pg. 📄 <b>78;</b> AR pg. 146, 198-202. See comment	Information is not available on the level of participation in retirement plans as CRH does not collect this data centrally. CRH is currently developing internal reporting in this area.
201 - 4	Financial assistance received from government	pg. 📄 78. See comment	No significant assistance.
GRI 202	Market presence		
103 - 1	Explanation of the material topic and its Boundary	pg. <b>a, 43-45, 57, 78;</b> AR pg. 2-5. See comment	Note that the topics covered by the indicators within this GRI standard are managed through our Social Policy, they are evaluated and monitored through our Social Review; the results of the Social Review are reviewed by the CRH Board.
103 - 2	The management approach and its components	pg. <b>3, 43, 57, 78;</b> AR pg. 2-5. See comment	Note that the topics covered by the indicators within this GRI standard are managed through our Social Policy, they are evaluated and monitored through our Social Review; the results of the Social Review are reviewed by the CRH Board.
103 - 3	Evaluation of the management approach	pg. <b>a, 43, 58, 78;</b> AR pg. 2-5. See comment	Note that the topics covered by the indicators within this GRI standard are managed through our Social Policy, they are evaluated and monitored through our Social Review; the results of the Social Review are reviewed by the CRH Board.
202 - 1	Ratios of standard entry level wage by gender compared to local minimum wage	pg. 📄 78. See comment	Not applicable. CRH does not publicly disclose this information for confidentiality reasons due to commercial sensitivity of operational activities in individual countries. CRH is currently developing its internal reporting in this area.
202 - 2	Proportion of senior management hired from the local community	pg. 📄 78. See comment	Not available. CRH does not publicly disclose this information for confidentiality reasons due to commercial sensitivity of operational activities in individual countries. CRH is currently developing its internal reporting in this area.
GRI 203	Indirect economic impacts		
103 - 1	Explanation of the material topic and its Boundary	pg. 🗎 6-8, 78. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
103 - 2	The management approach and its components	pg. 🗎 6-8, 78. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.

GRI Code	Description	2021 Reference	Comment
GRI 203	Indirect economic impacts (continued)	·	
103 - 3	Evaluation of the management approach	pg. 📄 <b>6-8, 79.</b> See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
203 - 1	Infrastructure investments and services supported	pg. 📄 6-8, 57, 79. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
203 - 2	Significant indirect economic impacts	pg. 🗎 6-8, 10, 12, 25, 33, 38, 47, 49, 79. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
GRI 204	Procurement practices		
103 - 1	Explanation of the material topic and its Boundary	pg. 📄 <b>54-56</b>	
103 - 2	The management approach and its components	pg. 📄 <b>54-56</b>	
103-3	Evaluation of the management approach	pg. 📄 <b>54-56</b>	
204-1	Proportion of spending on local suppliers	pg. 55-56, 79. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
GRI 205	Anti-corruption		
103 - 1	Explanation of the material topic and its Boundary	pg. <b>59, 61-62;</b> AR pg. 74-75, 110, 238	
103 - 2	The management approach and its components	pg. 🗎 <b>61-62;</b> AR pg. 74-75, 110, 238	
103 - 3	Evaluation of the management approach	pg. 📄 <b>61-62;</b> AR pg. 74-75, 110, 238	
205 - 1	Operations assessed for risks related to corruption	pg. <b>61-62, 79;</b> AR pg. 74-75, 110. See comment	100% of operations are assessed for risks related to corruption. Further details on risks are disclosed in the 2021 Annual Report and Form 20-F.
205- 2	Communication and training on anti-corruption policies and procedures	pg. 🗎 <b>61-62, 79;</b> AR pg. 74-75, 110. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
205 - 3	Confirmed incidents of corruption and actions taken	pg. 🗎 61-62, 79. See comment	Note that there were no investigations or legal cases from external parties into allegations of corruption against CRH or any of its group businesses in 2021. No contracts with business partners were terminated or not renewed due to violations related to corruption.
GRI 206	Anti-competitive behaviour		
103 - 1	Explanation of the material topic and its Boundary	pg. 📄 <b>61-62</b>	
103 - 2	The management approach and its components	pg. 📄 <b>61-62</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>61-62</b>	
206 - 1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	pg. 🗎 61-62, 79. See comment	CRH does not publicly disclose this information for confidentiality reasons due to commercial sensitivity of operational activities in individual countries.
GRI 207	Tax governance, control and risk management		
103 - 1	Explanation of the material topic and its Boundary	pg. 🗎 <b>10, 13, 63;</b> TS pg. <b>2</b>	
103 - 2	The management approach and its components	pg. 🖹 63; TS pg. 2-3	
103 - 3	Evaluation of the management approach	pg. 📄 63; TS pg. 2-3	
207 - 1	Approach to tax	pg. 📄 63, 79. TS pg 2. See comment	For further details of CRH's approach to taxation, refer to the CRH Tax Strategy, available on crh.com.
207 - 2	Tax governance, control and risk management	pg. <b>62-63, 79;</b> AR pg. 75; TS pg. <b>3.</b> See comment	For further details of CRH's tax governance and risk management frameworks, refer to the CRH Tax Strategy, available on crh.com.
207 - 3	Stakeholder engagement and management of concerns related to tax	pg. 📄 52, 79; TS pg 2. See comment	For further details of CRH's engagement and management of concerns related to tax, refer to the CRH Tax Strategy, available on crh.com.
207 - 4	Country-by-country reporting	pg. 📄 79. See comment	CRH does not publicly disclose this information for confidentiality reasons.

## GRI 300 Environmental Topics

GRI Code	Description	2021 Reference	Comment
GRI 301	Materials		
103 - 1	Explanation of the material topic and its Boundary	pg. 📄 <b>15-16, 29, 38, 47, 49, 67</b>	
103 - 2	The management approach and its components	pg. 🗎 <b>29, 47, 49, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>29, 47, 49, 63;</b> AR pg. 77	
301 - 1	Materials used by weight or volume	pg. <b>≘ 29, 47, 49, 70, 72, 79.</b> See comment	Alternative raw materials are those that replace traditional raw materials. For CRH, the more significant alternative raw materials used are recycled asphalt pavement (RAP) and recycled asphalt shingles (RAS), construction and demolition (C&D) waste and materials with cementitious properties, such as fly ash and ground granulated blast-furnace slag (GGBS), which are by-product materials sourced mainly from external power generation and steel production to replace virgin materials in cement, concrete and concrete products.
301 - 2	Recycled input materials used	pg. 📄 <b>49</b>	
301 - 3	Reclaimed products and their packaging materials	pg. 📄 <b>79.</b> See comment	Not applicable for CRH as most product (by weight) is delivered in bulk, without packaging.

GRI Code	Description	2021 Reference	Comment
GRI 302	Energy		
103 - 1	Explanation of the material topic and its Boundary	pg. 📄 <b>15-16, 27, 29, 33, 49, 66, 67</b>	
103 - 2	The management approach and its components	pg. 📄 <b>29, 33, 49, 66-67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>29, 33, 49</b>	
302 - 1	Energy consumption within the organisation	pg. 🗎 66, 69, 80. 206.0 PJ (57.2 TWh) pg. 33. See comment	In 2021, total energy consumption was reported as 205.0 Pj; electricity 26.2 Pj, heating 178.8 Pj, cooling n/a, steam n/a. Note that CRH is not an energy producer and sale of energy is not a focus of the Group.
302 - 2	Energy consumption outside of the organisation	pg. 🗎 80. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
302 - 3	Energy intensity	pg. 📄 <b>69, 80.</b> See comment	Energy intensity for cement is 904 kcal/kg clinker. Refers to kiln fuels (internal energy).
302 - 4	Reduction of energy consumption	pg. 📄 29, 33, 66, 69, 80. See comment	Reduction of energy are across all energy sources (solid, liquid, gaseous and electrical). Energy savings are consolidated based on year on year reductions.
302 - 5	Reductions in energy requirements of products and services	pg. 🗎 <b>49, 80.</b> See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
GRI 303	Water and effluents		
103 - 1	Explanation of the material topic and its Boundary	pg. 🗎 <b>15-16, 18, 39, 67</b>	
103 - 2	The management approach and its components	pg. 🗎 <b>15-16, 34, 39, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>34, 39</b>	
303 - 1	Interactions with water as a shared resource	pg. 🗎 <b>39</b>	
303 - 2	Management of water discharge-related impacts	pg. 📄 <b>39, 80.</b> See comment	The specific choice of water quality standards and parameters can vary depending on an organisation's products, services, and facility locations, and can depend on national and/or regional regulations, as well as the profile of the receiving waterbody.
303 - 3	Water withdrawal	pg. 📄 <b>39, 71, 80.</b> See comment	None identified as significantly affected. In 2021, total water withdrawal in areas of water stress was reported as 1.9m m <sup>3</sup> ; surface water 0.8m m <sup>3</sup> , groundwater 1.1m m <sup>3</sup> , quarry water <0.1m m <sup>3</sup> , rainwater <0.1m m <sup>3</sup> , utility water <0.1m m <sup>3</sup> . Total water withdrawal reported comprised fresh water only. In 2021, total water withdrawal in areas of water stress was reported as 1.9m m <sup>3</sup> ; fresh water 1.1m m <sup>3</sup> and other n/a.
303 - 4	Water discharge	pg. 📄 <b>39, 71-72, 80.</b> See comment	In 2021, total water discharge was reported as 29.3m m <sup>3</sup> ; freshwater/surface water 24.3m m <sup>3</sup> , sewer water 0.8m m <sup>3</sup> and other 4.2m m <sup>3</sup> . In 2021, total water discharge was reported as 29.3m m <sup>3</sup> ; freshwater 29.3m m <sup>3</sup> and other 0.0m m <sup>3</sup> . In 2021, total water discharge in areas of water stress was reported as 1.1m m <sup>3</sup> ; fresh water 0.0 m <sup>3</sup> and other n/a. Any substances of concern are regulated through discharge licences.
303 - 5	Water consumption	pg. 🗎 <b>39, 71, 80.</b> See comment	In 2021, total water consumption in areas of water stress was reported as 0.8m m <sup>3</sup> . Water storage is not material.
GRI 304	Biodiversity		
103 - 1	Explanation of the material topic and its Boundary	pg. 📄 <b>15-18, 35-36, 67</b>	
103 - 2	The management approach and its components	pg. 📄 <b>15-18, 34-36, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>15-18, 34-36</b>	
304 - 1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	pg. 📄 <b>35, 72, 80</b> . See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
304 - 2	Significant impacts of activities, products, and services on biodiversity	pg. 📄 <b>34-36</b>	
304 - 3	Habitats protected or restored	pg. 📄 34-36, 72, 80. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
304 - 4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	pg. 📄 80. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
GRI 305	Emissions		
103 - 1	Explanation of the material topic and its Boundary	pg. 🗎 <b>15-18, 27-28, 30, 33, 67</b>	
103 - 2	The management approach and its components	pg. 📄 <b>15-16, 27-28, 33, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>27-28, 33</b>	
305 - 1	Direct (Scope 1) GHG emissions	pg. 📄 28, 66, 69	
305 - 2	Energy indirect (Scope 2) GHG emissions	pg. <b>■ 28, 66, 69, 80.</b> See comment	Scope 2 emissions are calculated using the location-based method using country-specific International Energy Agency Factors; apart from for operations in the US where subregion-specific factors from eGRID are used. CRH does not centrally collect data on supplier specific factors, and hence a market-based calculation of Scope 2 emissions cannot be provided.
	Other indirect (Scope 3) GHG emissions	pg. 📄 28, 66, 69, 80. See comment	An assessment of Scope 3 GHG emissions was carried out during 2016, in line with the World Resources/WBCSD Institute Greenhouse Gas Protocol Corporate Value Chain (Scope 3) and CRH Scope 3 emissions reported for 2017 have been expanded to
305 - 3			include contract transport, employee commuting, purchased goods and waste generated. Biogenic emissions are not included in the scope of the factors used.
305 - 3 305 - 4	GHG emissions intensity	pg. 🗎 <b>28, 80.</b> See comment	

GRI Code	Description	2021 Reference	Comment
GRI 305	Emissions (continued)		
305 - 6	Emissions of ozone-depleting substances (ODS)	pg. 📄 <b>81.</b> See comment	No significant emissions.
305 - 7	Nitrogen oxides (NO $_x$ ), sulfur oxides (SO $_x$ ), and other significant air emissions	pg. 📄 <b>17-18, 37, 66, 69-71</b>	
GRI 306	Effluents and waste		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>15-16, 38-39, 49, 67</b>	
103 - 2	The management approach and its components	pg. 📄 <b>15-16, 38-39, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>38-39</b>	
306 - 1	Water discharge by quality and destination	pg. 📄 <b>39, 71-72, 81.</b> See comment	Water was discharged to: surface water (24.3m m <sup>3</sup> ), sewer water (0.8m m <sup>3</sup> ), and other (4.2m m <sup>3</sup> ). Inclusive of this was 1.9m m <sup>3</sup> of water abstracted from areas designated as 'high' or 'extremely high' risk for water-stress.
306 - 2	Waste by type and disposal method	pg. 📄 38, 72, 81. See comment	Breakdown of waste by: inert (1.67m tonnes), hazardous (0.04m tonnes) and non-hazardous (0.39m tonnes) and there were two methods of waste treatment: recycling (1.81m tonnes) and disposal (0.29m tonnes. All waste management is managed in line with local waste regulations. This would entail the third-party issuing regular reports and chains of custody of waste removed from site.
306 - 3	Significant spills	pg. 📄 81. See comment	No significant spills.
306 - 4	Transport of hazardous waste	pg. 38, 81. See comment	Total hazardous waste was 40k tonnes. However, data in the breakdown requested by GRI is not available. CRH does not centrally collect information to report on this indicator in the breakdowns required by GRI. CRH is currently developing its internal reporting in this area.
306 - 5	Water bodies affected by water discharges and/or runoff	pg. 📄 81. See comment	None identified as significantly affected.
GRI 307	Environmental compliance		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>34, 67</b>	
103 - 2	The management approach and its components	pg. 🗎 <b>34, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>34</b>	
307 - 1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	pg. 📄 34, 81. See comment	There were no material non-monetary sanctions or material cases brought through dispute resolution mechanisms.
GRI 308	Supplier environmental assessment		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>54-56</b>	
103 - 2	The management approach and its components	pg. 🗐 <b>54-56</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>54-56</b>	
308 - 1	New suppliers that were screened using environmental criteria	pg. 🗎 54-56, 81. See comment	Note that CRH's Supplier Code of Conduct, available on <u>crh.com</u> , includes safety, environmental, labour practice, human rights, society and other people and community criteria; screening and audits reflect all these criteria. The percentage of new suppliers screened using environmental criteria is not available. This information is not centrally collected, however it is monitored at a local level for each operation. We are essessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
308-2	Negative environmental impacts in the supply chain and actions taken	pg. 📄 54-56, 81. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.

## GRI 400 Social Topics

GRI Code	Description	2021 Reference	Comment
GRI 401	Employment		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>15-16, 40-45, 67</b>	
103 - 2	The management approach and its components	pg. 📄 <b>40-45, 54, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>40-45, 54, 64</b>	
401 - 1	New employee hires and employee turnover	pg. 🗎 <b>45, 73, 81.</b> See comment	Turnover in the region "Americas" is 74% and in the region "Europe and Asia" is 26%. Turnover in the category "under 30 years" is 30%, in the category "30-49 years" is 44% and in the category "over 50 years" is 26%. New hire age profile; "under 30 years" is 37%, "30-49 years" is 45%, and "over 50" is 18%. In 2021, the Voluntary Turnover at CRH was 15% (2020: 12%). In 2021, 25% of our employees were newly recruited (2020: 18%). Overall, 33% of managerial positions were filled internally (2020: 53%). Group wide, 9.4% (2020: 11%) of employee positions were filled by internal candidates in 2021.
401 - 2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	pg. 🗎 <b>45, 81.</b> See comment	Not applicable due to regional differences in employee benefits and national social systems
401 - 3	Parental leave	pg. 📄 <b>45, 81.</b> See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term.
GRI 402	Labour/Management relations		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>45, 54, 67, 81.</b> See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
103 - 2	The management approach and its components	pg. 📄 <b>45, 54, 67</b>	

GRI Code	Description	2021 Reference	Comment
GRI 402	Labour/Management relations (continued)		
103 - 3	Evaluation of the management approach	pg. 📄 <b>45, 54</b>	
402 - 1	Minimum notice periods regarding operational changes	pg. 45, 82. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
GRI 403	Occupational health and safety		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>15-16, 20-25, 67</b>	
103 - 2	The management approach and its components	pg. 📄 <b>20-25, 64, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>20-25, 67</b>	
403 - 1	Occupational health and safety management system	pg. 📄 <b>22, 67</b>	
403 - 2	Hazard identification, risk assessment, and incident investigation	pg. 🗎 21-24, 62, 67, 82. See comment	The occupational illness rate was 0.04 cases per million work-hours. Accidents to females account for just 3% of all accidents and 4% of all work days lost in 2021. Accident data cannot be disclosed by region due to confidentiality concerns.
403 - 3	Occupational health services	pg. 🗎 <b>25</b>	
403 - 4	Work participation, consultation, and communication on occupational health and safety	pg. 🗎 <b>24-25, 52</b>	
403 - 5	Worker training on occupational health and safety	pg. 📄 <b>24-25, 68</b>	
403 - 6	Promotion of worker health	pg. 📄 25	
403 - 7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pg. 📄 <b>25</b>	
403 - 8	Workers covered by an occupational health and safety management system	pg. 📄 <b>24-25, 67-68</b>	
403 - 9	Work-related injuries	pg. 🗎 23, 68, 82. See comment	In 2021, 'employee only' frequency rate (FR) was 1.2. Absenteeism was 2.5% in total, with 78% in the category "medically certified", 16% in the category "other" and 2% in the category "accidental injury.
403 - 10	Work-related ill health	pg. 🗎 23, 25, 68, 82. See comment	Note that one breakdown required by GRI for this indicator is not available. CRH reviews annually the scope of data collection and where appropriate and practicable in future will gather and report on this indicator.
GRI 404	Training and education		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>15-16, 44, 61-62</b>	
103 - 2	The management approach and its components	pg. 📄 <b>44, 61-62</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>44, 61-62</b>	
404 - 1	Average hours of training per year per employee	pg. 📄 24, 44, 68, 74, 82. See comment	Note that relevant training is provided regardless of gender. In 2021, on average \$1,090 per employee was spent on training.
404 - 2	Programmes for upgrading employee skills and transition assistance programs	pg. 🗎 <b>44-45</b>	
404 - 3	Percentage of employees receiving regular performance and career development reviews	pg. 🗎 44, 74, 82. See comment	Note that performance reviews are provided regardless of gender.
GRI 405	Diversity and equal opportunity		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>7, 15-16, 18, 42, 63-64, 67;</b> AR pg. 71-72	
103 - 2	The management approach and its components	pg. <b>7, 15-16, 18, 42, 63-64, 67;</b> AR pg. 71-72	
103 - 3	Evaluation of the management approach	pg. <b>7, 18, 42, 63-64, 67;</b> AR pg. 71-72	
405 - 1	Diversity of governance bodies and employees	pg. 🖹 <b>7, 15-16, 18, 42, 63-64, 73, 82;</b> AR pg. 56-59, 70-72. See comment	In the United States, 86% of the employees are White, 9% Black and 5% Other. In 2021, there were 19% Latino/Hispanics in the workforce. Where diversity differences exist compared to the communities we operate in, there are mitigation plans in place. In Europe, 84% of employees were reported as being "National".
405 - 2	Ratio of basic salary and remuneration of women to men	pg. 🗎 82. See comment	Currently unavailable. CRH does not centrally collect data on pay to each of its employees in all operating countries by gender. CRH reviews annually the scope of data collection and where appropriate and practicable in future will gather and report on this topic. In 2021, 16% of Junior managers, 12% of managerial employees in revenue generating roles, and 32% of graduates recruited into STEM-related positions were female. This feeds into our overall I&D target of 33% of females in senior management roles.
GRI 406	Non-discrimination		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>42, 54</b>	
103 - 2	The management approach and its components	pg. 📄 <b>42, 54</b>	
103 - 3	Evaluation of the management approach	pg. 📄 42, 54, 61	
406 - 1	Incidents of discrimination and corrective actions taken	pg. 54-56, 82. See comment	There were a total of 10 alleged instances of discrimination in 2021, reported through our Social Review. All were investigated fully with policies and training reinforced wherever necessary and disciplinary action taken as appropriate.
GRI 407	Freedom of association and collective bargaining		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>54-56, 67</b>	
103 - 2	The management approach and its components	pg. <b>54-56, 67</b>	
103 - 3	Evaluation of the management approach	pg. <b>54-56, 67</b>	
407 - 1	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be at risk		This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term. For further details of CRH's position on freedom of association and collective bargaining, refer to the CRH Modern Slavery Statement, available on crh.com.

GRI Code	Description	2021 Reference	Comment
GRI 408	Child labour		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>45, 54-56, 67</b>	
103 - 2	The management approach and its components	pg. 🗎 <b>45, 54-56, 67</b>	
103 - 3	Evaluation of the management approach	pg. 🗎 45, 54-56, 67	
408 - 1	Operations and suppliers at significant risk for incidents of child labour	pg. 📄 83. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term. For further details of CRH's position on child labour, refer to the CRH Modern Slavery Statement, available on <u>crh.com</u> .
GRI 409	Forced or compulsory labour		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>45, 54-56, 67</b>	
103 - 2	The management approach and its components	pg. <b>54-56, 67</b>	
103 - 3	Evaluation of the management approach	pg. 🗎 <b>54-56, 67</b>	
409 - 1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	pg. 📄 83. See comment	This information is not centrally collected, however it is monitored at a local level for each operation. We are assessing the systems needed to collect this information centrally. If viable, we would be in a position to report this information in the near term. For further details of CRH's position on forced or compulsory labour, refer to the CRH Modern Slavery Statement, available on <u>crh.com</u> .
GRI 410	Security practices		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>54, 61, 67, 83.</b> See comment	Group companies operate in accordance with the Social Policy and CoBC.
103 - 2	The management approach and its components	pg. 54, 61, 67, 83. See comment	Group companies operate in accordance with the Social Policy and CoBC.
103 - 3	Evaluation of the management approach	pg. 54, 61, 67, 83. See comment	Group companies operate in accordance with the Social Policy and CoBC.
410 - 1	Security personnel trained in human rights policies or procedures	pg. 📄 83. See comment	Note that in 2021, 33% of Group companies had security personnel on-site and 98% of companies provided human rights training to security personnel. Training is generally equally provided to security personnel that are the employees of third parties.
GRI 411	Rights of indigenous peoples		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 83. See comment	Not material. CRH does not have a presence in countries of concern.
103 - 2	The management approach and its components	pg. 📄 83. See comment	Not material. CRH does not have a presence in countries of concern.
103 - 3	Evaluation of the management approach	pg. 📄 83. See comment	Not material. CRH does not have a presence in countries of concern.
411 - 1	Incidents of violations involving rights of indigenous peoples	pg. 📄 83. See comment	Not material. CRH does not have a presence in countries of concern.
GRI 412	Human rights assessment		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>15-16, 21, 37, 54, 67</b>	
103 - 2	The management approach and its components	pg. 📄 15-16, 44, 54, 67	
103 - 3	Evaluation of the management approach	pg. 📄 <b>44, 5</b> 4	
412 - 1	Operations that have been subject to human rights reviews or impact assessments	pg. 📄 54, 83. See comment	Note that 68% of companies carried out human rights assessments, similar to the past 3 years (Europe: 60%, Americas: 79%, Asia: 75%). The challenge of gender diversity was the only topic reported to have been identified.
412 - 2	Employee training on human rights policies or procedures	pg. 🗎 44, 83. See comment	Note that in 2021 there were c.70,800 hours of training in human rights and more than 95% of relevant employees received training in human rights policies or procedures concerning aspects of human rights that are relevant to operations.
412 - 3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	pg. 📄 <b>54, 83.</b> See comment	100% of significant investment agreements and contracts were screened in line with the supplier code of conduct which includes specific human rights clauses. Significant suppliers in this case are those who we deem to have a higher potential CSR risk because of the value of their contract with CRH, the location of the source of supply or some other risk factor.
GRI 413	Local communities		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>15-16, 54, 57-58</b>	
103 - 2	The management approach and its components	pg. 📄 <b>51-52, 54, 57-58</b>	
103 - 3	Evaluation of the management approach	pg. 📄 <b>57-58</b>	
413 - 1	Operations with local community engagement, impact assessments, and development programs	pg. 📄 <b>57-58, 72, 83.</b>	
413 - 2	Operations with significant actual and potential negative impacts on local communities	pg. <b>51, 57-58, 72, 83;</b> AR pg. 229. See comment	Note that potential negative impacts from dust, noise, blasting and traffic are mitigated against and associated mainly with extractive locations, the physical location and numbers of these are listed in the Annual Report. No significant impacts on local communities in 2021.
GRI 414	Supplier assessment for labour practices		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>54-56</b>	
103 - 2	The management approach and its components	pg. 📄 54-56	
103 - 3	Evaluation of the management approach	pg. 📄 <b>54-56</b>	
414 - 1	New suppliers that were screened using social criteria	pg. 📄 54-56, 83. See comment	100% of new suppliers were screened in line with the CRH Supplier Code of Conduct. Where social risks were identified, additional screening was completed.
414 - 2	Negative social impacts in the supply chain and actions taken	pg. 🗎 <b>54-56, 83.</b> See comment	At commodity level our supplier assessment approach is phased over time and geographically. Data from operations are not available in the breakdown required in this GRI Standard, and the definition of what is 'significant' will vary depending on location and commodity category. Where increased digitisation of supply chain management permits the production of data for this Standard, we will publish it. For further details on potential impacts in our supply chain, refer to the CRH Modern Slavery Statement, available on crh.com.

GRI Code	Description	2021 Reference	Comment
GRI 415	Public policy		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>84.</b> See comment	Not material as there are no significant contributions.
103 - 2	The management approach and its components	pg. 📄 84. See comment	Not material as there are no significant contributions.
103 - 3	Evaluation of the management approach	pg. 📄 84. See comment	Not material as there are no significant contributions.
415 - 1	Political contributions	pg. 🗎 32, 84; AR pg. 26. See comment	Not material as there are no significant contributions.
GRI 416	Customer health and safety		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>24, 48, 67</b>	
103 - 2	The management approach and its components	pg. 📄 <b>24, 48, 67</b>	
103 - 3	Evaluation of the management approach	pg. 📄 24, 48	
416 - 1	Assessment of the health and safety impacts of product and service categories	pg. 📄 <b>24, 48</b>	No products are known to require improvements relating to health & safety impacts, all our products are manufactured to the highest national and regional technical standards and specifications and are independently certified. In addition, many of our businesses operate to ISO 9001 Quality Management Systems, further guaranteeing product quality.
416 - 2	Incidents of non-compliance concerning the health and safety impacts of products and services	pg. 📄 84. See comment	No non-compliance with regulations and/or voluntary codes was reported in 2021.
GRI 417	Marketing and labelling		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 <b>48, 84.</b> See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
103 - 2	The management approach and its components	pg. 🗎 <b>48, 84.</b> See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
103 - 3	Evaluation of the management approach	pg. 🗎 <b>48, 84.</b> See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
417 - 1	Requirements for product and service information and labelling	pg. 📄 <b>48</b>	
417 - 2	Incidents of non-compliance concerning product and service information and labelling	pg. 🖹 84. See comment	None known.
417 - 3	Incidents of non-compliance concerning marketing communications	pg. 📄 <b>48, 84.</b> See comment	The organisation has not identified any non-compliance with regulations and/or voluntary codes.
GRI 418	Customer privacy		
103 - 1	Explanation of the material topic and its boundary	pg. 📄 84. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
103 - 2	The management approach and its components	pg. 📄 84. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
103 - 3	Evaluation of the management approach	pg. 📄 84. See comment	Not material. The page references cover the topic in general terms rather than meet the precise requirements of the GRI for this indicator.
418 - 1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg. 🖹 84. See comment	In 2021, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data.
GRI 419	Socioeconomic compliance		
103 - 1	Explanation of the material topic and its boundary	pg. 🗎 <b>61-62</b>	
103 - 2	The management approach and its components	pg. 🗎 <b>61-62</b>	
103 - 3	Evaluation of the management approach	pg. 🗎 <b>61-62</b>	
419 - 1	Non-compliance with laws and regulations in the social and economic area	pg. 🖹 61-62, 84. See comment	No significant fines.

#### Scope of engagement

DNV Business Assurance Services UK Limited ("DNV", "us" or "we") were commissioned by CRH Group Services Limited to provide limited assurance to CRH plc ("CRH") over the Subject Matter presented in CRH's Sustainability Report 2021 (the "Report") for the reporting year ended 31st December 2021.

#### Subject matter

The scope and boundary of our work is restricted to the following areas (collectively the "Subject Matter"):

#### 1. ISAE 3000 Selected Information

The performance indicators included within the Report (the "Selected Information"), listed below:

Global Cement and Concrete Association (GCCA) indicators

- Climate Change: Total CO<sub>2</sub> emissions (Gross) (metric tonnes); Total CO<sub>2</sub> emissions (Net) (metric tonnes); Total CO<sub>2</sub> (Gross) specific (kg per tonne of cementitious product); and Total CO<sub>2</sub> (Net) specific (kg per tonne of cementitious product);
- Emissions Monitoring: % Clinker produced with monitoring of major emissions; % Clinker produced using continuous monitoring of major emissions; and % CO<sub>2</sub> emissions covered;
- Emissions: Particulates, specific (g/tonne of clinker); Particulates, total (tonnes per year); NO<sub>x</sub>, specific (g/tonne of clinker); NO<sub>x</sub>, total (tonnes per year); and SO<sub>x</sub>, specific (g/tonne of clinker); SO<sub>x</sub>, total (tonnes per year); NO<sub>x</sub>, SO<sub>x</sub> and Particulates emissions coverage rate (%);
- Minor Emissions: VOC/THC, total (tonnes per year); VOC/THC, specific (g/tonne of clinker); PCDD/F, total (mg per year); PCDD/F, specific (ng/tonne of clinker); Hg, total (kg per year); Hg, specific (mg/tonne of clinker); HM1, total (kg per year); HM1, specific (mg/tonne of clinker); HM2, total (kg per year); HM2, specific (mg/tonne of clinker); and VOC/THC, PCDD/F, Hg, HM1 and HM2 emissions coverage rate (%);
- Co-processing fuels and raw materials in cement manufacturing: Alternative fuel rate (kiln fuels); Biomass fuel rate (kiln fuels); Specific heat consumption for clinker production; Alternative Raw Materials rate (% ARM); Clinker/cement (equivalent) factor;
- Water: Total water withdrawal by source (million m<sup>3</sup>); total water consumption (million m<sup>3</sup>); total water discharge (million m<sup>3</sup>) and amount of Water Consumption per unit of product;

- Health and Safety: Number of fatalities (directly and indirectly employed); Fatality rate per 10,000 (directly employed); Number of fatalities (involving third parties); Number of lost time injuries (directly and indirectly employed); Lost Time Incident (LTI) rate per 1 million man hours (directly and indirectly employed); Number of lost days (directly employed); and Severity rate per 1 million man hours (directly employed).
- Quarry Rehabilitation and Biodiversity Management: Quarries with high biodiversity value where biodiversity management plan is implemented (%); Quarries where rehabilitation plan is implemented (%).

Group level indicators

- Environment: Total greenhouse gas (GHG) emissions (Scopes 1, 2 & 3) (million tonnes); Total NO<sub>x</sub> emissions (thousand tonnes); Total SO<sub>x</sub> emissions (thousand tonnes); Total Particulates emissions (dust) (thousand tonnes); and Total water withdrawal (million m<sup>3</sup>); and
- Health and Safety: Group fatalities (directly and indirectly employed); Group lost time injuries; Group frequency rate: and Group severity rate.
- Social: Total number of employees (headcount).

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used CRH's Reporting history, Scope and Basis Section (the "Data Criteria"), which can be found on page 🗎 66 of the Report.

#### 2. AA1000 Principles

The nature and extent of adherence of the Report to the AA1000 AccountAbility principles of inclusivity, materiality, responsiveness and impact (the "AA1000 Principles"). To assess the AA1000 AccountAbility Principles (AA1000AP) 2018 (the "Principles Criteria") we used the AA1000AS v.3 assurance standard.

#### 3. GRI Standards

Preparation of the Report in accordance with the GRI Standards. To assess the preparation of the Report in accordance with the GRI Standards we have used the publicly available GRI Standards 2020 (the "Consolidated set of GRI Sustainability Reporting Standards 2020").

#### 4. SASB Indicators

- EM-CM-110a.1: Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations
- EM-CM-120a.1: Air emissions of the following pollutants:

- NO<sub>X</sub> (excluding N<sub>2</sub>O)
- SO<sub>X</sub>
- Particulate matter (PM10)
- Dioxins/furans
- Volatile organic compounds (VOCs)
- Polycyclic aromatic hydrocarbons (PAHs)
- Heavy metals
- EM-CM-140a.1: 1. Total fresh water withdrawn

We have not performed any work, and do not express any conclusions, on any other information outside of the Subject Matter that may be published in the Report or on CRH's website for the current reporting period or for previous periods.

#### **Our conclusions**

#### 1. Selected Information

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared in all material respects, in accordance with the Data Criteria.

This conclusion relates only to the Selected Information and is to be read in the context of this Independent Limited Assurance Report, in particular, the inherent limitations explained below.

#### 2. AA1000 Principles

Based on the work we have undertaken, nothing has come to our attention that leads us to conclude that the Report is not in adherence with the AA1000 Principles as described in the Principles Criteria. We comment on the nature and extent of each individually below.

#### 3. GRI Standards

Based on the work we have undertaken, we believe that the report is in line with "Comprehensive" requirements of the GRI Standards 2020 (the "Consolidated set of GRI Sustainability Reporting Standards 2020").

#### 4. SASB Standards: selected indicators

Based on the work undertaken, nothing has come to our attention that causes us to believe that the Selected Indicators are not fairly stated, and has not been prepared in all material respects in accordance with the Industry standard Construction Materials Sustainability Accounting Standard 2018, prepared by the Sustainability Accounting Standards Board (SASB).

#### Standards and level of assurance

For the Selected Information, we performed a Limited Assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements, and plan and perform the assurance engagement to obtain Limited Assurance.

For the AA1000 Principles, our assurance engagement was also planned and performed to meet the requirements of a Type 1 "moderate level" of assurance as defined by AA1000 Assurance Standard (A1000AS v3). For consistency, in this Assurance Report we also refer to this scope as "Limited Assurance".

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a Limited Assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained, had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced completely.

#### Basis of our conclusion

#### 1. Selected Information

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. Our work included, but was not restricted to:

- Assessing the appropriateness of the Data Criteria for the Selected Information;
- Reviewing Group procedures, policies and guidance for data collection, aggregation, measurement, analysis and reporting of

specified performance information at site and Group level, and assessing their alignment with the Data Criteria;

- Conducting interviews with CRH's management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Virtual visits to sites selected in conjunction with CRH, including: Cementos Lemona (cement plant) Spain; Wildegg Jura (cement plant), Switzerland: Mississauga Cement, Canada: Ash Grove Learnington, (cement plant) US; Medgidia Cement (cement plant), Romania; Rudus, Finland: Clogrennane Lime, Ireland: OBE, US, to review processes and systems for preparing the Selected Information at site level for consolidation at Group level. Also, performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported at site level. These sites were chosen to provide a representative sample, based on the type and tonnage of material produced, geographical location and whether the site was a legacy plant or a recent acquisition. The percentage contribution of cement plants visited to overall cement-related CO<sub>2</sub> gross emissions was 13.6%;
- Virtual visit to CRH's headquarters in Dublin, Ireland, to review the processes for gathering and consolidating the Selected Information and checking its consolidation;
- Reviewing whether the evidence, measurements and their scope provided to us by CRH for the Selected Information was prepared in line with the Data Criteria; and
- Reading the Report and narrative accompanying the Selected Information in the Report with regards to the Data Criteria.

#### 2. AA1000 Principles

<u>DNV assurance statement</u>

We are required to plan and perform our work in order to form an opinion over the adherence of the AA1000 Principles of the Report. Our work included, but was not restricted to:

- Reviewing the current sustainability issues that could affect CRH and would be of interest to stakeholders;
- Reviewing CRH's approach to stakeholder engagement and interviews with four external stakeholders;
- Reviewing information provided to us by CRH on its reporting and management processes relating

to the AA1000 Principles; and

 Interviewing senior management, selected in conjunction with CRH, with responsibility for management of sustainability issues, and reviewing selected evidence to support the issues discussed.

#### 3. GRI Standards

We reviewed the Report to form an opinion over its preparation against the GRI Standards.

#### 4. SASB Standards

We are required to plan and perform our work in order to form an opinion over the reporting of selected indicators in accordance with the Construction Materials Sustainability Accounting Standard 2018, prepared by the Sustainability Accounting Standards Board (SASB).

#### Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Nonfinancial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities.

Our assurance relies on the premise that the data and information provided to us by CRH have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

#### Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multidisciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

# Responsibilities of the management of CRH and DNV

The management of CRH has sole responsibility for:

• Preparing and presenting the Selected

Information in accordance with the Data Criteria;

- Preparing the Report in adherence to the AA1000
   Principles;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information
  based on their established Data Criteria; and
- The contents and statements contained within the Report and the Data Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about:

- Whether the Selected Information has been prepared in accordance with the Data Criteria and to report to CRH in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained; and
- Whether the Report is in adherence to the AA1000 Principles as described in the Principles Criteria, and comment on the nature and extent of each individually.

We have not been responsible for the preparation of the Report.

#### **Observations**

Our observations and areas for improvement were raised in a separate report to CRH's management. Selected observations are provided below. These observations do not affect our conclusions set out above.

#### 1. Selected Information

- We noted senior management commitment to sustainability performance, and there continues to be a thorough review of performance at Board level. The continuous focus on H&S has led to the successful roll out of the "Frontline Leadership Programme"- a frontline supervisors training program with the objective to create safer workplaces for CRH, which we recognise as good practise.
- Accurate reporting of contractor working hours continues to be challenging in line with the building materials sector generally. We recognise that there have been improvements since the last reporting cycle and we recommend CRH continues to focus on this issue to further improve data quality and accuracy,
- We observed that a thorough and robust quality control process is in place for Environmental,

Health and Safety and Social data where variances and outlier values are investigated, with a focus on continuous improvement of data quality; and

 We noted a small number of immaterial corrections to Selected Information data submitted from sites visited. Updated data was provided in all cases and incorporated correctly in consolidated data presented in the Report.

#### 2. AA1000 Principles

- Inclusivity: CRH engages with a wide range of stakeholders, at site as well as Group level.
   Feedback from the stakeholders interviewed was largely positive.
- Materiality: CRH updated their materiality process in 2019, and reviewed this again in 2021. This resulted in the importance of some material issues being adjusted based on the latest stakeholder feedback.
- Responsiveness: Information received from the Stakeholder interviews we conducted demonstrated a high level of responsiveness to stakeholder feedback.
- Impact: CRH has identified the major impacts (both direct or indirect) that they have on their stakeholders. We understand that CRH is considering further disclosures around their direct and indirect impacts on Biodiversity, and we recommend that they enhance these disclosures in future reporting.

#### **DNV Business Assurance Services UK Limited**

London, UK 21st of March 2022

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# Note on forwardlooking statements

In order to utilise the "Safe Harbor" provisions of the United States Private Securities Litigation Reform Act of 1995, CRH plc (the 'Company'), and its subsidiaries (collectively, 'CRH' or the 'Group' is providing the following cautionary statement.

These forward-looking statements may generally, but not always, be identified by the use of words such as "will", "anticipates", "should", "could", "would", "targets", "aims", "may", "continues", "expects", "is expected to", "estimates", "believes", "intends" or similar expressions. These forwardlooking statements include all matters that are not historical facts or matters of fact at the time of this document.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future and reflect the Company's current expectations and assumptions as to such future events and circumstances that may not prove accurate. A number of material factors could cause actual results and developments to differ materially from those expressed or implied by these forwardlooking statements, certain of which are beyond our control and which include, among other things: the ongoing COVID-19 pandemic; economic and financial conditions generally in various countries and regions where we operate; the pace of growth in the overall construction and building materials sector; demand for infrastructure, residential and non-residential construction in our geographic markets; increased competition and its impact on prices; increases in energy and/or raw materials costs; adverse changes to laws and regulations; approval or allocation of funding for infrastructure programmes; adverse political developments in various countries and regions; failure to complete or successfully integrate acquisitions; the effects of climate change and related regulations on our business political stability and economic growth in relevant areas of the world: wars and acts of terrorism; cyber-attacks or sabotage.

# External recognition and benchmarks



(The inclusion of CRH public limited company in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of CRH public limited company by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and logos are trademarks or service marks of MSCI or its affiliates.)

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### Frank Heisterkamp

Director of Capital Markets & ESG

Naomi Cooper Head of Sustainability

### We welcome feedback and comments from stakeholders on our sustainability reporting.

Cover image: We pride ourselves on delivering quality products and services while supporting the global sustainability agenda. Staker Parson Materials & Construction, part of our Americas Materials Division, has collaborated with the city of Spanish Fork, Rocky Mountain Power and the Governor of Utah in the development of a wind farm at its Gomex Pit location in Utah. This wind farm, one of the first in the state of Utah, supplies power to the Spanish Fork power grid, reducing pressures on the national power infrastructure. In addition, Staker Parson received an award from the National Asphalt Paving Association (NAPA), for the rehabilitation of the US-6 and SR115 roads adjacent to the wind farm.