



# ON TRACK FOR SUCCESS



BY CLARE PICKERING, R2R & OPERATIONAL SUPPORT DIRECTOR EMEA

Welcome to the first edition of CEMEXPRESS for 2022. We wanted to use this issue to mark the year that has passed, but also look forward to what we hope this year will bring. Throughout this edition you'll hear from different areas across the business as they share what the big wins were for them in 2021, what the challenges were, and what they plan to achieve in 2022.

Performance in the UK business was very strong, finishing the year with an OCF almost 40% better than the prior year – although it must be remembered that our operations were considerably disrupted in 2020 due to the pandemic, with plants closed and employees furloughed. Nevertheless, we expected to do well and had set ourselves a tough target, which we exceeded by more than 20%, so everyone should be very proud of what they have achieved.

We were fortunate that markets bounced back faster and at higher rates than expected in the

UK, although most countries across our region managed to complete the year within target meaning our overall regional results were positive too.

While the UK's results are very positive, it is important that it is placed in the broader context of performance across the year and current challenges. Q1 saw our strongest performance against target for the year, and these gradually declined until we reached Q4, when we struggled to achieve our target. This puts us in a tough position for starting the coming year, particularly when you take into consideration the massive impact of cost increases including energy price hikes, including electricity, gas and diesel, coupled with ongoing supply chain issues – a similar situation to what we are also facing in our personal lives.

So we have a challenge for 2022; we have set ourselves tough, stretching targets ahead against the backdrop of a difficult Q4. We must make every effort to move prices forward

to cover the increasing costs, whilst those costs that we have discretion over must be controlled, if we are to reach our budget. This is a company-wide focus but we are confident that together as a team we can achieve it.

Finally, I want to touch upon the Working Smarter initiative that my business unit has been involved with. Put simply, this is the digitalisation of back-office services – we are essentially trying to replicate the efficiencies and functionalities of what CEMEX Go does for our external customers for our back-office functions. Some of you may have already been involved in this digitisation which has included the introduction of the Concur expenses system, and daily sales and opex reporting through Power BI, which enables us to review our performance in real-time.

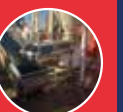
2022 will develop this further with the Cloud Transformation project, which will see the European SAP system moving onto the Cloud to increase security, provide more space and opportunity to integrate new applications and

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technologies, and make the system faster. For the UK this is due to go live in April 2022.

The aim of Working Smarter is to implement and increase the process automation we have in the business, so people aren't spending as much time in the system, allowing them to focus on strategy rather than creating reports. This is being coordinated across CEMEX globally which allows for greater scale and helps to improve our network with our colleagues across the world. It's a positive development and I am looking forward to seeing how it can make our local business more efficient and effective.

We have many successes to celebrate and exciting plans for the year ahead, as you will hear more about throughout this edition of CEMEXPRESS. I am proud to be part of a team that has contributed to these achievements and look forward to hearing more about the coming successes and future plans as we go through the year.



# H&S 2021 REVIEW AND WHAT'S AHEAD IN 2022

BY ANDY TAYLOR, UK HEALTH & SAFETY DIRECTOR

While the impact of the pandemic on our operations started to ease somewhat as the year progressed, 2021 was still a very challenging time for all as we continued to feel the effects of Coronavirus in our work and personal lives.

However, that is not to say there were not some clear wins for the business from a H&S perspective. Thanks to the commitment of our employees to ensuring a safe working environment, we reached three years fatality free and one year employee LTI free across our operations. I am so proud of everyone for their efforts to reach these milestones – thank you!

The UK's dedication to H&S means we have supported the region on certain projects, including developing the online Defensive Driving Training, which has been completed by all those who drive as part of their job role. We have also coordinated the review of the Permit to Work format and training, which was developed in the UK and then implemented across the region.

Elsewhere, our work was clearly recognised this year, with the UK taking home various accolades from CEMEX's Global H&S Awards, including a Zero4Life Contribution Award for the Rugby Climafuel project, Best Performance in Urbanisation Solutions for UK Asphalt and a Contractor Management Award for the rollover prevention film – among many more.

This success was repeated at the MPA's 2021 H&S Awards, with CEMEX UK receiving a Special Award in the John Crabbe trophy category, Assistant Quarry Manager, Philippa O'Leary, named as joint winner of the Young Leader Award, plus a considerable number of individual recognitions – such as Dan Bateman for the MP Connect rollout, Mark Beagrie for CheckProof, and Stuart McGregor for the Rugby cement shutdown planning. A HUGE well done to everyone who was recognised!

Now, for the year ahead we have a comprehensive improvement plan in place. Alongside continuing to manage the risk of COVID in our operations, we want to focus

## EMEA 2022 Improvement Plan

HSMS Element	Initiative Name	Actions	Date
Element 1: Leadership & Accountability	1. Training / Competency	1. Define minimum training requirements for common roles Relaunch H&S Academy (depending on COVID status)	Jan – Mar Jun – Dec
	2. VTL	1. Enhance management skills through coaching / training	Jan – Jun
Element 2: Risk Management	3. Guarding, Isolation and Traffic Management	1. Close gaps as per local action plan relating to Guarding 2. Close gaps as per local action plan relating to Isolation 3. Close gaps as per local action plan relating to Traffic Mgt 4. Increase visibility of action plans status at appropriate levels	Jan – Dec Jan – Dec Jan – Dec Jan – Feb
	4. Slips, Trips & Falls	1. Interactive campaign, inc housekeeping and SS promotion	Apr – Jun
	5. Permit to Work	1. Introduce digitalised version in identified areas	Apr – Sep
	6. Behaviour monitoring	1. Increase visibility/reporting of driver behaviours e.g. over speeding, harsh braking etc	TBC
Element 4: Driving safety	7. Take 5 for Drivers	1. Reinforce Take 5 principles for Drivers	Feb – Mar
	8. Induction Process standardization	1. Implement minimum requirements for Contractor Induction	Feb – Jul
Element 5: Contractors Safety Management	9. Min competency requirements	1. Evaluate effectiveness of existing systems that validate contractor training/competency, including hauliers	Jul – Sep
	10. Health & Wellbeing	1. Global Wellbeing model – wait for final version 2. Increase sickness absence data visibility & analysis 3. Actively support global health campaigns e.g. Cardi-O	TBC Feb – Mar Jan – Dec
Element 6: Occ Health & Wellbeing	11. Take 5 Together	1. Implement Take 5 Together across all sectors	TBC
	12. Zero4Life Today	1. Rollout program to all employees	Jan – Dec
Element 7: People, Training and Behaviors	13. COVID-19	1. Launch targeted campaigns according to local needs	Jan – Dec
Element 15: Mgt of Pandemics & Epidemics			

on health & wellbeing, with plans for a focus group to identify how we can best support employees. We'll further expand Take 5, introducing a dedicated Take 5 for drivers and embedding Take 5 Together across all sectors. The rollout of MP Connect will also develop to cover individual contractors and companies, while we will relaunch the H&S Academy (COVID-dependant). These are just a few of our priorities for the year ahead – as you can see we will be kept busy!

It's vital that we sustain the success of last year and this is only possible when everyone continues to make H&S their number one priority. Our injury rates are amongst the lowest in the industry and this is all down to our people, who are not afraid to care and have the courage to put themselves out there. Step In when it is needed and do what they can to make a difference. We must celebrate what we have achieved but not get complacent, remembering what can go wrong if we do not keep H&S at the forefront of all we do.



## CEMEX UK SECURITY RISK ASSESSMENT FOR 2022

Every year Colin Jones, our UK Security Manager, joins colleagues from across the globe to explore what security risks our business is likely to face in the year ahead. By considering security trends and incidents from the previous year and horizon scanning to predict risks in the year ahead, we can determine and mitigate against the most likely security risks to our business.

**FOR THE UK, THE 2022 RISK AGENDA PRIORITIES ARE AS FOLLOWS:**

### INTRUSION/TRESPASS/ILLEGAL OCCUPATION

The trials of the pandemic have led to increased public interests in open water swimming, motorbike scrambling and urban exploring, which have presented significant safety and security challenges to many of our sites. It's vital that we remain vigilant and respond promptly to signs that our sites are being used in any of these activities.

### THEFT

Incidents of theft have been a significant challenge to our security team with diesel fuel and copper being targeted on a substantial scale.

The value of both of these commodities are at an all-time high and show no sign of diminishing. Spikes in incidents of theft invariably occur when 'street values' increase.

Looking forward, in April this year, the business will be required to switch from the use of red diesel to normal, commercial diesel. The reduction in the deterrent dyed (red) diesel traditionally offers, is highly likely to lead to an increase in diesel theft.

Colin is currently working closely with our Operational Excellence Team to make UK-wide improvements to our security and auditing of diesel stocks.

### CYBER & INFORMATION SECURITY

The appearance of cyber security and protest related risks on the list should not surprise anyone. Cyber enabled crime continues to represent the single most common and prevalent risk to our business globally. Staff should remain conscious of these risks and continue to follow the published guidelines on safe online practice.

### SOCIAL ACTIVISM (PROTEST)

Staff will be aware of the regularly publicised environmental opposition posed by Extinction Rebellion and similar groups. CEMEX Security and ERM have developed a detailed contingency plan in the event of a protest developing at any of our sites. In addition, an instructional video is available via the UK Security SharePoint and all colleagues are urged to ensure they are familiar with the content.

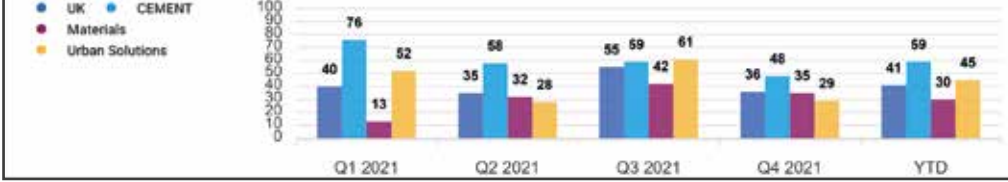


## NPS SURVEY

HOW CUSTOMERS HAVE ASSESSED US IN THE UK IN 2021



### OUR NPS RESULT



## GETTING OUR CUSTOMERS' PERSPECTIVE

Every quarter, a selection of our customers are surveyed to establish what they think of CEMEX UK – this is usually about 1,000 customers. They are asked questions based on their interactions with CEMEX and give us an overall score which indicates if they would recommend us to others. The result can be between -100 and 100.

CEMEX UK as a whole scored an NPS of 36 for Q4, which resulted in a combined NPS of 41 for the full year of 2021. The NPS goal for the UK Businesses and overall UK was an NPS of 50,

however, the industry benchmark is an NPS of 45. So, everyone should still be proud of their achievements considering the many challenges we faced during 2021.

As illustrated, the scores declined across each business area in Q4, however the YTD results were broadly positive with Cement achieving 59, Materials scoring 30 and Urban Solutions getting 45.

Well done to everyone for their hard work and commitment to keeping our customers happy.

## QUALITY & PRODUCT TECHNOLOGY UPDATE – R&D

BY MIKE HIGGINS, NATIONAL TECHNICAL MANAGER – QUALITY & PRODUCT DEVELOPMENT

The team has continued to make progress on our 16 live UK R&D projects. The projects include Aggregates, Asphalt, Readymix, Admixtures and Building Products, an update with more detail will continue to be circulated to the business on a quarterly basis. If anyone has not seen this and is interested then please email me at [mike.higgins@cemex.com](mailto:mike.higgins@cemex.com)

We have made exciting progress with some projects moving from concept stage to laboratory trials and others progressing out of the lab to plant trials. A sizable proportion of our efforts are focussed on low carbon product solutions and materials for all business lines, with notable advancement made in all areas to help satisfy market and organisational interest in the field.

One specific area for everyone to be aware of is the development and publication of our Vertua® Ultra Zero Technical Datasheet. Following a significant project to further develop our knowledge and understanding around clinker free technology and industrialisation, a comparison of key technical characteristics has been developed alongside a control concrete.

We now have sufficient information to create a second version of the datasheet to replace version one, which is available on the Value Added Products Sales Tool (VAP APP) in the Vertua® section under Readymix. Please contact me if you need support downloading this tool.

## CEMEX LAUNCHES UK'S FIRST ZERO CARBON CONCRETE BLOCK

CEMEX is proud to present ReadyBlock Zero, a zero carbon concrete block which comes with the residual CO2 offset to make it a CarbonNeutral® product, in accordance with The CarbonNeutral Protocol.

ReadyBlock Zero offers housebuilders and developers the opportunity to build lower carbon developments, without compromising

on product quality or strength. The new CarbonNeutral® block looks identical to a traditional concrete block and the only difference is it embodies up to 80% less carbon, with the remaining carbon offset.

ReadyBlock Zero is part of CEMEX's Vertua® family of low carbon and sustainable Urbanisation Solutions.

## A VIEW FROM DOVE HOLES

The last year was another record-breaking one for our Dove Holes Quarry, with over 5.4 million tonnes of aggregates produced, sales of over 5 million tonnes, and 2.8 million tonnes by rail for the first time ever. Additionally, 3/4 million tonnes was dispatched via the fast track system, while rail loading issues have gone down to almost zero – an industry-leading figure!

Production Manager, Hayden Gill, reflects on the success of the past year: "The results from 2021 for Dove Holes are brilliant, and I am very grateful to the whole team for all they have done to achieve these results.

"When you take into consideration the challenges from the past year, the results are

even more impressive. The impact of COVID was still felt across the site, plus it often meant we had to use different contractors – so our teams would have to work extra hard to train them and keep operations going. Additionally, due to supply issues, repairs took longer than previously which added further pressure.

"I want to thank everyone from all the sections of the business involved for the part they have played in our success – these records were broken through a real team effort, and even more importantly we completed the year safely, with no LTIs. Here's to breaking more records in 2022!" which reduce their carbon footprint.



## CEMEX SUPPORTS LANCASHIRE COUNTY COUNCIL WITH VIALOW

CEMEX recently worked with Lancashire County Council to provide a CarbonNeutral® Asphalt product for road surfacing in a residential area in Preston.

VIALOW Zero was selected by the Council for Cop Lane in Penwortham, Preston; a stretch of road with approximately 60 houses on it; and supplied by CEMEX's Liverpool Docklands asphalt plant.

Alongside the reduced carbon in the mix, the Council chose to offset the residual CO2e to make it a CarbonNeutral® product, in accordance with The CarbonNeutral®

protocol. By offsetting the residual CO2e from the 310 tonnes of asphalt used for the project, 18 tonnes of CO2e was offset; the equivalent of the emissions generated by the annual electricity use for 25 homes.

Leslie Luxon, "Asphalt Area Manager, commented: "Lancashire County Council and CEMEX have been partnered for some time, and the Council have been early converts to the benefits of low temperature asphalts, which reduce their carbon footprint, improve durability, and pave the way to a greener Britain.



## IMPECCABLE PLANNING PAYS OFF

In December, the North West Readymix team supported their customer, Ward and Burke Ltd at Project Protis, a development of a new energy-to-waste plant.

For this job CEMEX was part of a three-way split of a 1,950m3 pour, working with two other suppliers. Six concrete pumps were set up at 5.00am, which then started pumping at 5.30am. The technicalities of this job meant that strong coordination was vital, with the delivery taking over four weeks to plan.

Danny Roberts commented: "The success of this job was down to a great effort by our operations at Ellesmere Port and Widnes plants, along with our Shipping team at Preston Brook, overseen by our Technical team on site. This was a very challenging day for all but was safely executed, thanks to the fantastic commitment and coordination by the CEMEX team."



## DSM UP TO THE CHALLENGE

CEMEX DSM has commenced work on the next phase of the North Yorkshire Polyhalite Tunnel project. The £3.2 billion project is constructing Woodsmith Mine – south of Whitby, North Yorkshire – to extract polyhalite, and a tunnel system to transport it to a materials handling facility and harbour at Teesside.

The polyhalite deposit is the world's largest and highest grade fertiliser of its type. The spraying is taking place under the North Sea 17km from the point of production at the site silo. The dry silo concrete is manufactured/mixed wet via the silo and mixed into an 8m3 rail configured torpedo mixer, which takes 90 minutes to travel the distance along the tunnel to discharge into the concrete spraying pump.

Due to the time it takes to make the delivery, it is necessary to have an extended open life. The additional hydration control admixture is added by liquid into the mixer via a calibrated pump. Then, to measure the amount of product being discharged into the torpedoes, the silos are on load cells that can calculate the weight of the product made.



# COLOURING COMPETITION: AND THE WINNERS ARE...

In the last issue of CEMEXPRESS, readers and their families were challenged to show their artistic side by creating a brand new design for our cement tankers! After being inundated with fantastic entries, the judges managed to whittle them down to their favourite few, before Craig Williamson, Commercial Director for Cement, chose the top three. The lucky winners were as follows:

- First place: Holly (aged 10)  
Second place: Isla (aged 8)  
Third place: Lily (aged 9)

Highly commended:

- Adora  
Harry  
Thomas  
Tilly  
Molly  
Jasper

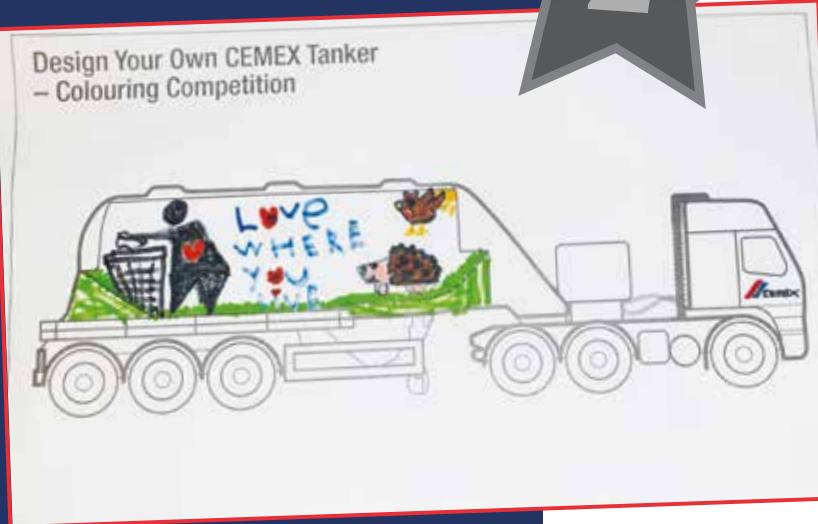
Well done to everyone who took part.



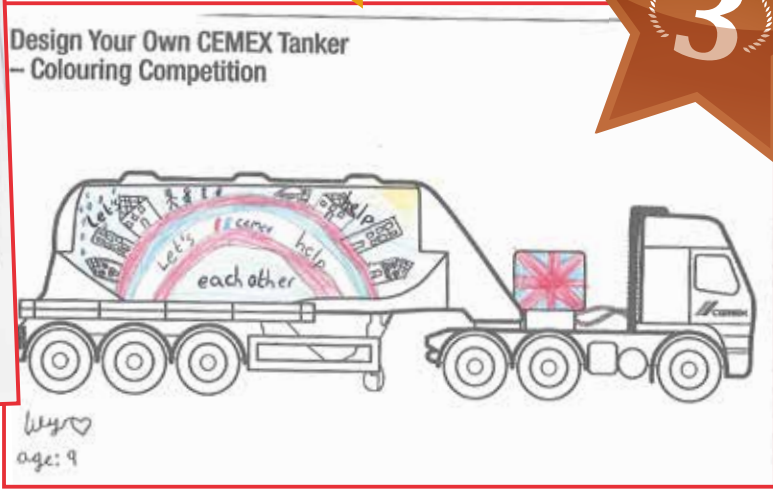
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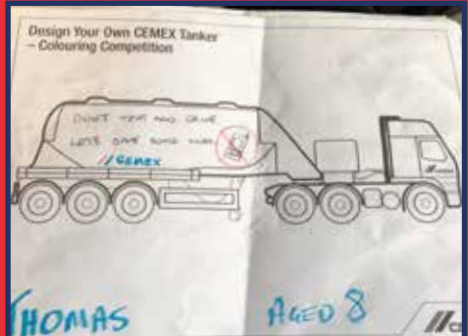
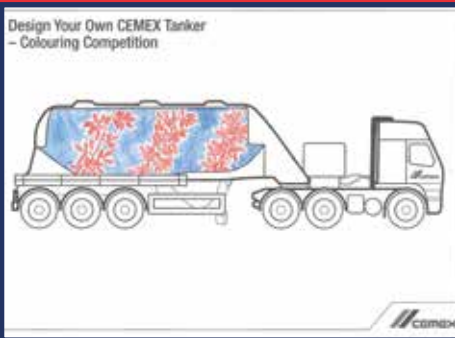
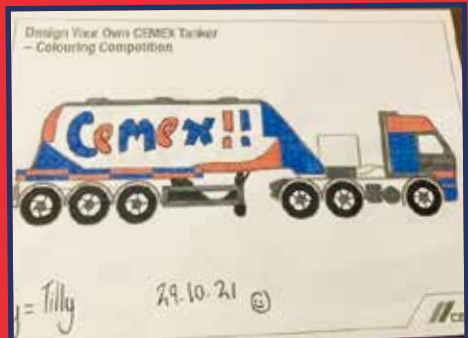
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## HIGHLY COMMENDED



## BUILDING A SUSTAINABLE FUTURE

BY MIRANDA CLEGG, UK MANAGER FOR SUSTAINABILITY

It will come as no surprise to anyone that 2021 was a very positive year for the Sustainability team. The further rollout of our Future in Action commitment globally saw considerable engagement from across the business and it was clear that developing and improving CEMEX's eco credentials is a top priority for all.

In the UK, we achieved a 37% reduction in CO2 compared to our 1990 baseline, and we consumed 228 times more waste than we sent to landfill, which is incredible. I remember when we started recording waste consumption we were at around 50 times the waste we generated, so to see how it has grown is very rewarding. Additionally, we achieved a 55% alternative fuel substitution rate at the cement plant and we are all keen to see how the investment there will allow this to improve further in the years to come.

It was also great to see our work continuing despite the ongoing challenges presented by the Coronavirus pandemic. Our annual ISO 14001 audits were all completed remotely and went very well. In fact, it was the third year of receiving no nonconformities across UK materials. It certainly demonstrated to me what we can achieve together even if we can't meet face to face.

Finally, there was a significant reduction in the number of environmental incidents across the whole business, with no category one or two (serious) incidents recorded for the third year running, and category three (minor) incidents down from 29 to 17. Thank you to everyone for continuing to make this a priority!

For the year ahead, as well as reinforcing the rollout of the Future in Action strategy and aiming to improve our results in this area, we are also going to be focusing on Biodiversity Net Gain and

are introducing training on this for those working at our sites. In particular, we want to work with the smaller urban sites on Net Gain for Nature – helping them to identify how they can support their local wildlife despite their size and location. The importance of this has been demonstrated by the Environment Act which became UK law in 2021.

We are expecting to grow the waste side of the business – we are looking to employ a new waste acceptance specialist and are working closely with the development team. This goes hand in hand with the work we are doing for the HS2 project and efforts to restore our existing sites with waste soils rather than using up precious virgin aggregate.

As we all know energy use is a key topic in our industry and we will be looking at energy performance and consumption across the business, and identifying ways to reduce this. We are also exploring accreditation options in this area.

Our final priority for 2022 is the CO2 calculator, which has now been certified. The UK worked closely with Spain and Mexico to improve and trial this and we will be a flagship country for its rollout. This function is a big deal for our customers and I am excited to see it being implemented!

I don't doubt that 2022 will be an exciting year for the Sustainability team, particularly as we work with other business areas to ensure they understand the Future in Action strategy, where they fit into it and what they can do – it's not all about CO2 reduction but is a movement we must all play our part in.



## STRIVING FOR OPERATIONAL EXCELLENCE

BY ADAM LEVERETT, HEAD OF OPERATIONAL EXCELLENCE, WEST EUROPE MATERIALS

We have six pillars to our 2022 action plan in Operational Excellence:

1. Waste reduction and efficiency
2. Renewable energy
3. Training our people in Lean Management
4. The digitisation of our operations
5. Improvement of our data and operational KPIs
6. Innovation

Last year we launched the EXCEED team. We focussed on three clear challenges or goals from our pillars, and I'm pleased to say that we made good progress on all of these. One was on training and awareness of lean management, the second was on improving the data that we collect and getting actions out of the data, and the third was increasing the digitisation across the business.

For training, we launched three of eight virtual modules in our Operational Excellence Training Academy, with the fourth following in early 2022, in three different languages – which was really quite a challenge!

Additionally, with the data we use, we've created a completely new suite of Power BI dashboards. We've moved away from Excel and Tableau and gone to what I consider to be the best, most visual, easy to interact with piece of software that's out there. It's a game changer when you can go and look at a simplistic system which tells you quickly whether you are in the 'red' or 'green' status, whether it's for your maintenance cost or the efficiency of your aggregate plant or your product availability. We've made big strides in this area towards the end goal of proper visual management on our sites.

Finally, for digitisation, we've carried the baton on from what Kevin Cage had started, particularly with CheckProof. We now have over 400 users who digitally recorded around 70,000 checklists and 17,000 faults, which is incredible. There were around 100 different reports that were previously done on paper, and these are pretty much all gone now on Aggregate sites, with the Readymix rollout starting this quarter.

The beauty of this work is that it standardises a digital solution for both Readymix and Aggregates. Historically when we've taken actions like reported maintenance defects, we've had two completely different systems that don't relate to each other, but this will no longer be the case.

In terms of the year ahead, it's all about moving the work we've done on to the next stage, and this will hopefully mean more of a physical presence on our sites. Because of COVID, we really leaned into what could we do from home as a team, but this year we're keen to be safely on site where we can, making these projects visible, and demonstrating how they can make our operations more efficient, safer and more sustainable – and what the financial benefit of this is.

Personally, I'm particularly looking forward to the continued rollout of CheckProof. It is now on every Aggregate site, every Asphalt site, it's being used by the quality and technical teams, the DSM team and the environmental team. But the next stage is Readymix operations, which is exciting. We've spent the last four months piloting on four sites in the West Midlands, which has led to lots of changes, lots of improvements and really good support from the local team, and we've now got the replicable model to go to every plant in the UK.

A further example of how we will take the work we completed in 2021 further is with illuminated walkways and other smart, visual, safety aids. These are already installed at three sites in London with more to come. Not only do these ensure pedestrians can cross safely, but they can also collect smart data so we can see when people are crossing and how they are using them. It's a fairly simple improvement but one with real safety benefits!

Finally, I'm looking forward to progressing some renewable energy projects which are aligned to our global Future in Action goals. We are researching solar and wind opportunities for the UK alongside our colleagues in the Sustainability team, which is very interesting.

Personally, I can't wait to see what the Operational Excellence team can achieve this year – watch this space!

## RIISING TO MEET MARKET DEMAND

CRAIG WILLIAMSON, COMMERCIAL DIRECTOR FOR CEMENT UK

While the easing of Coronavirus restrictions in 2021 were welcomed by us all, they had also had a considerable impact on our business. We saw demand increase quicker and to a greater level than anticipated putting UK cement supply chains under stress. This impacted not only CEMEX but all UK domestic producers and importers.

It would be unfair not to recognise the disruption that this caused our customers, however at the same time I would also like to recognise the excellent commitment of everyone within our cement business, whose efforts ensured that customer disruption was mitigated as much as possible.

I am tremendously proud of the commercial team who responded to market conditions and rising cost inflation to successfully deliver not just one, but two unplanned price increases. There is more work to do but a good start in ensuring that we continue to recover fair value. Thank you to everyone for demonstrating real strength under pressure.

As we look at the year ahead, similar to the general economy the cement industry is beset with inflationary challenges, driving up costs in almost every aspect of cement manufacture and distribution. I look forward to working to ensure we pass these costs through to customers via higher pricing.



## SECURING THE FUTURE OF OUR BUSINESS

BY STEVE REDWOOD, LAND DEVELOPMENT AND PERMITTING DIRECTOR – EUROPE

I head up the Land Development and Permitting team for Europe, which is a team of specialists dedicated to acquiring new reserves for the aggregates business, managing our land portfolios, securing locations for new plants and landfill operations, and then working to restore our sites when they come to the end of their life.

In the UK, we have a team of 21, which includes one hydrogeologist, a restoration manager, surveyors, estate specialists, geologists, town planners and support staff, all of whom play a vital role in our operations. The efforts to acquire new sand and gravel reserves is particularly important as many of our quarries have less than five years of permitted aggregate remaining. If we fail to secure new reserves, then we will have a much reduced business.

Looking back at last year, COVID presents a continued challenge. My team is all predominantly working remotely and for some of us it can be isolating and impact our wellbeing. I am very proud of how people have adapted, not just amongst those in my department but across the whole business. It is fantastic to see how we've all started from a position of crisis to see working from home as completely normal.

We managed to secure 39 million tonnes of potential reserves in land deals during 2021, which is an exceptional result. This will allow us to make future applications to keep the aggregates business operating.

The ongoing effort to secure permission for a new quarry at Alrewas to supply the HS2 project was both a highlight and a challenge. As you can imagine, this is a very political subject with significant local opposition, which made it quite a tough process – however we had agreement from the County Council by the end of the year which was a real win for the team. We are working hard now to complete the final details so we can make a start building the processing plant very soon.

Finally, we saw our Lynx product management tool become an integral part of our work. This was launched across Europe and was designed and developed by the UK team. It has been hugely successful at allowing us to better manage our workloads.



We plan to develop it further this year to help other functions, such as engineering.

Of course, our key priority for 2022 is to ensure that all of those in our team, and who work with us, stay safe and healthy. This is central to all our work. For me, I'm particularly focused on the wellbeing of those in my team and who I work with, as we continue to adapt to the changing requirements of the pandemic.

We also have to secure new reserves for our critical sites, namely those with less than five years of material left. The aim is to secure more reserves than we sell. In terms of numbers, the figures for applications already submitted and those we plan to submit in 2022 total 11.13 million tonnes for aggregates and 6.55 million tonnes for landfill. For example, we have applications submitted in Hamble on the South Coast, Egham in Surrey, and underway for Berkswell in the West Midlands and Ryall in Worcestershire, among many others.

We will also focus on managing our portfolio of land in a more efficient way to maximise our income and the prospects for securing new quarries and extensions in the future. We currently make about £1.3 million a year on rentals, which all contributes to our financial performance.

It is exciting to look at all the plans we have this year, although there certainly are big challenges. Principally the increased regulation (including the Environment Act and requirement to demonstrate Biodiversity Net Gain) and the scrutiny we get on all our planning applications. Although an industry-wide problem, it is becoming more of an issue. This all contributes to making the whole development process a lot longer, which is compounded by the ongoing pressures of COVID.

However, we're addressing these challenges head on by changing the way we structure our work. We have focused teams now, so we've organised ourselves in a more efficient way to help us get planning permissions more quickly, or as quickly as we can, and we've got the new tools to assist. We also benefit from working with our European colleagues and incorporating best practice from them into our operations. I'm confident that we can achieve our goals this year and support the business as it continues to grow.





# TOP INVESTMENTS IN 2021

## SMALL HEATH, BIG TRAINS

CEMEX officially opened its new rail depot in Small Heath, Birmingham, last November, which will allow the business to increase its use of trains to transport its products and reduce truck movements. This aligns with CEMEX's efforts to enhance the sustainability of its operation as part of its 'Future in Action – Committed to Net Zero CO2' strategy.

Following a significant investment and the completion of major infrastructure works, the new depot will receive aggregates from CEMEX's Dove Holes quarry. From there, the material will be transported out to construction projects in the Birmingham market.

Dave Hart, Supply Chain Director for the UK and France, commented: "As the UK's second largest city, Birmingham plays an important role in our strategy to focus on metro markets. The opening of this depot will allow us to increase volume and service provision, with four trains per week expected to pass through this depot."



However, the opening of the Small Heath rail depot will not just allow us to further grow our business; it also offers considerable sustainability benefits as it will enable us to maximise the use of rail as a more efficient means of transport for our products. Potentially, this depot could mean 17,000 less trucks on the road each year, with an approximate annual CO2 saving of 2,200 tonnes."

CEMEX has partnered with GB Railfreight, Network Rail and leading aggregates distributor GRS to ensure a smooth operation and service at its Small Heath depot.

## NEW READYMIX PLANT IN SWINDON

Exciting news from the Readymix business – a new plant was recently opened in Blunsdon, Swindon. This new location adds to our portfolio of sites across the South West and will allow the team to better serve customers in Swindon with a full range of products.

Rob Sims, General and Commercial Manager, said: "This is a welcome return to Swindon after the previous CEMEX plant in this area was closed a couple of years ago, and we're keen to welcome back new and returning customers."



It's great to see more sites being opened up in key areas in line with our business strategy."

# INVESTING IN UK SUCCESS

BY DAVID BECK, DIRECTOR OF STRATEGIC PLANNING FOR MATERIALS WEST EUROPE

The UK closed another strong year in 2021, but as Clare has already touched upon on the front page, there are some issues from last year that will continue to challenge our profitability in 2022.

## MANAGING PRICES AND COSTS

Cost inflation is a big concern, particularly the increase in energy prices. But there are other areas where we are feeling the pinch such as haulage and freight costs, which are going up significantly. An example of how this affected us last year was that we were more reliant on cement imports than we would expect and the cost of imports increased significantly because shipping costs went up globally.

There are ways in which we can combat this, including managing our prices so they increase as costs rise. The price increases we announced for the start of the year seem to be going well but we will only know the real outcome of this in around three months' time. For this reason, price discipline is key – ensuring we don't vary too much from our targets – and also cost discipline. We can't control variable costs such as fuel, but we have more control over fixed costs, so we need to keep these managed and tighten costs where we can, this is something where we can all play our part across our business units.

## INVESTING IN GROWTH

CEMEX is supporting the UK operations with record levels of capital expenditure investment, reflecting the continued confidence in our strong OCF performance and growth prospects. More UK CAPEX projects were approved by the Global Investment Committee in the past 18 months than any time in the last decade. The global



business has focused on investing in its 'Growth Pipeline' - projects which will grow our OCF. We should be pleased and reassured to see how much of a priority developing the UK operation remains to the global business.

Last year saw over £50 million spent on investment projects in the UK, a record amount. Of course, this was considerably higher than in 2020 as the vast majority of CAPEX was placed on hold during the worst of the pandemic, but it is very positive to see this investment coming in.

The focus for 2022 is to ensure CAPEX projects are implemented on-time and on-budget so they can start contributing to growing our business. There are projects that we need to deliver on now, and then globally it will be a case of looking at the business environment and seeing where new investments can be agreed.

Personally, I'm looking forward to working with colleagues from across the UK business this year to realise our top-line growth opportunities through successful execution of CAPEX projects, and seeing the benefits of the projects already implemented.

Despite the challenges of cost inflation I'm confident that our excellent track record in progressing prices forward, combined with our investment in growth projects will deliver success this year; 2022 is set to be another exciting and hopefully very successful year for CEMEX UK!

## DSM INVESTMENTS

During 2021 CEMEX invested £2 million on an upgrade to the existing DSM Buxton site (Via Nova). This investment was made to expand the process to enable us to dry our own sands on site, saving many miles of transporting the material up from Essex; which will result in a tremendous saving in Carbon emissions.

The changes also included replacing the antiquated computer system, additional cement silo and ground storage facility. These changes will mean that volume is only limited by the dryer capacity, which is outperforming our targeted capacity of over 30 tonnes per hour and will therefore enhance our supply capability. It also means we will be able to manufacture an expanded range of products including Masonry Mortar during 2022.



## MAJOR UPGRADES TO RUGBY CEMENT PLANT

As detailed in the last issue of CEMEXPRESS, Rugby Cement Plant saw a number of major upgrades during 2021. These included the installation of a new £22 million Climafuel® facility and a £5 million upgrade to its packing lines.

The new Climafuel® facility houses two fully automated lines with a crane system to continuously and smoothly feed Climafuel into the pre-heater tower, where it is used to heat the kiln. Each line is able to provide an incredible 75% substitution rate on its own, but the team aims to reach a 90% rate in the near future.

The upgrade of the packing lines includes installation of two new plastic packing lines, the first of which became operational in Q4. These lines utilise the very best technology that exists globally, helping to secure production capacity and supply chain robustness for the next decade to come.



Furthermore, over the 2021 Christmas period, the cement plant undertook the biggest overhaul of its Cement Mill 6 in its history (see above image), including new girth gear and Sepol separator. The total value of this work was over £2 million. The mill is of critical importance to the UK business (our largest cement mill in the UK) and the maintenance team worked through the festive period 24/7 to bring it online safely. Look out for more details on this investment in UK News soon...

# MARINE LICENCE RENEWED

In another important step in developing our marine strategy, our marine reserve base has recently been extended with the renewal of the marine licence for our marine extraction area Greenwich Light East (Area 473), located in the eastern English Channel. The area has been dredged since 2006 with cargo delivered to aggregate wharves on the Thames and near the Continent.



The new marine licence for this important area allows the extraction of up to 15 million tonnes of sand and gravel from the seabed, for a further 15 years.

# 2021 SUCCESS FOR SUPPLY CHAIN

The Supply Chain team celebrated a successful 2021 despite the ongoing challenges presented by the Coronavirus pandemic and global supply chain issues.

## In the North West:

- Salford had their highest volumes since 2017
- Dove Holes has broken 2.8 million tonnes by rail for the first time ever. This is the eighth record year for Dove Holes in the last nine

- Warrington has also performed strongly, improving their volumes versus 2020

## Across Yorkshire

- Attercliffe volumes by rail grew over 20% in 2021
- Stourton volumes have grown over 54% since 2019
- Yorkshire as a whole has taken 1.1MT by rail which is the first year over 1 Million

## Home Counties & London

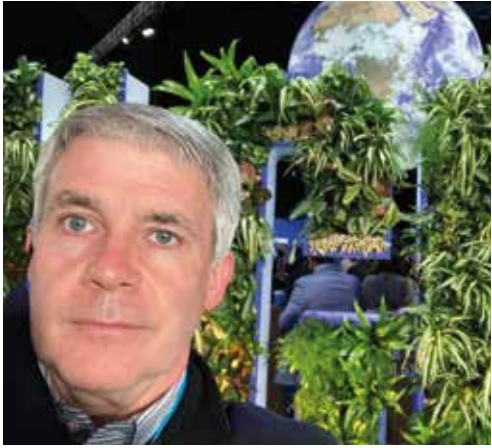
- Growth of over 13% in Home Counties, with volumes now at an all time high
- Volumes at Barking hit a record 266Kt and were 6% higher than any other year since the site opened
- Finally, in Barrington more than 100 trains as part of the HS2 contract were received and offloaded at the landfill operation without incident

During 2021 over 1,600 rail journeys took place the equivalent of saving 16.9kt of CO2 from being released into the air. Using this sustainable transport mode it is reducing lorry movements and CO2 emissions - contributing to CEMEX's overall sustainability targets.

Dave Hart commented: "2021 was another successful year for Supply Chain, with some real milestones reached in the rail operation. This was only possible through a concerted and committed team effort by everyone across Materials, Urbanisation Solutions, Commercial and Supply Chain – thank you all for your dedication and support."

# REFLECTIONS ON COP26

The 2021 UN Climate Change Conference (COP26) took place in November last year, bringing countries around the world together to discuss the future of our planet. Martin Casey, Director of Public Affairs Europe, attended the conference and we caught up with him to discuss the impact it is likely to have on CEMEX and the wider cement industry in the years to come.



## 1. WHY WAS COP26 SO IMPORTANT FOR CEMEX?

COP26 was a great reputation management, brand building, and awareness platform for CEMEX and our Future In Action Strategy, with a global presence at top table industry discussions. Our participation, both in the blue zone and outside, provided a unique opportunity to meet with key stakeholders and engage in critical discussions. Meeting with suppliers, customers as well as a variety of business associations and major NGOs, it was of huge importance to take part and enormously encouraging to see cement and concrete represented in many front-line debates.

## 2. FROM YOUR PERSPECTIVE, WOULD IT BE SEEN AS A SUCCESS FOR THE CEMENT INDUSTRY?

The GCCA is to be commended for their efforts at COP26, communicating the details of the industry's recently launched 2050 Net Zero Roadmap. The GCCA undertook some excellent scene setting work in the weeks preceding the conference. This included the successful launch of the Roadmap at their Concrete Future event, which effectively brought the industry together in the lead up to COP26 and created the impetus for high level discussions to continue in Glasgow.

# NEW KIT FOR SUDBURY FC

The Sudbury FC team are looking good in their new kit, sponsored by CEMEX. Sudbury FC competes in the Utttoxeter and District Football League Division 2 and has done so for the last seven years.

Tom Crutchley, External Sales Representative for Asphalt, commented: "The team is very grateful for CEMEX's support with the sponsorship for new training tops and giving adults the chance to play grassroots football within the local community."

CEMEX significantly supports the construction trade in Utttoxeter with a wide range of construction materials including asphalt, aggregates, concrete etc. A good example is the recent supply of VIAFLOW PMB asphalt to a new car park at a LIDL store in Utttoxete.

Good luck for the rest of the season Sudbury FC!



# HAPPY HOLIDAYS FOR WILDLIFE

The team at Salford Asphalt plant are proud to show off the new Salford Hilton Plaza – for wildlife only! They have worked hard to set up a hibernaculum on the rail access ramp, close alongside the rail line.

A hibernaculum offers 'winter quarters for wildlife', in particular amphibians like frogs, toads and newts to help them survive a cold winter. There is also lots of space for insects plus other reptiles too.

Phil Repton commented: "We built the hibernaculum as part of our Back to Work training – after talking about sustainability and our carbon footprint we were reinvigorated to pick up our biodiversity activity, which had diminished during the pandemic."



We built the 'hotel' on a bank that had previously been sown with wildflowers so it already attracts birds, bees and other insects. Hopefully it will provide a luxurious winter retreat for reptiles and other creatures too!"



# CEMENTING OUR PARTNERSHIP

BY JENNY OLDROYD, RSPB & CEMEX BUSINESS CONSERVATION ADVISOR

CEMEX and the RSPB have been in partnership since 2009. CEMEX approached the RSPB to form a partnership, as they wanted to go above and beyond their statutory commitments and give nature a home across all their sites. The RSPB was keen to work with CEMEX because we saw how progressive the company was and how working together could make a great contribution to nature conservation, restoring priority habitats and saving rare species.

The vision of the partnership is that CEMEX UK will take a leadership position within the sector, saving nature through raising awareness of its value and delivering conservation of priority species and habitats.

Looking closer at what we have been working on, there were two main high points of 2021, the first was the interest from the Chiltern Area of Outstanding Natural Beauty (AONB) in our development of the Kensworth restoration. This should culminate in a partnership with the AONB Chalkscapes Project; to enhance the restoration and protect rare plants, birds, and butterflies at Kensworth. This is a long-term project that has huge potential for delivering for wildlife.

The second highlight is the plans we've pulled together to develop green infrastructure at Angerstein Wharf. We're hoping this is the first of many industrial sites that can be enhanced to deliver for nature through green roofs, hedge planting, wildflower sowing, along with Swift boxes and creating habitat for pollinators – turning a concrete base into a hub for nature, showing the art of the possible.



Our main areas of focus for the next 12 months are to develop the finer details of the Net Gain / Nature Gains Programme. In particular, implementing the pollinators project that delivers in industrial sites and quarry operations; some sites have already signed up to take part in the trial. We will also focus on the business being ready for a wider roll out of Biodiversity Management Plans and the Net Gain – part of the Government's new Environment Bill.

There have been lots of policy changes over the last year and we expect more to come. Adapting to these and making them work for the business and nature will be our biggest challenges over the next 18 months and more. Delivering for nature can help with CEMEX Carbon and Environment targets. Finally, the partnership will also be looking to expand CEMEX species projects to help dramatically declining birds such as willow tit.

Personally, I'm really looking forward to the spring and summer months and getting out and about visiting sites after the difficulties of COVID restrictions; actually seeing the nature on site and giving more direct guidance. Although it may sound dull to some people, I'm excited about the prospect of some of the biodiversity policy and procedure work being enacted; the processes should assist site managers – facilitating actions for nature on the ground. Lastly, I really enjoy pulling together the stories for the Earthly Matters blog and UK News, and hope the outcome is to inspire people to do something positive for nature themselves.





# LONG SERVICE AWARDS

It's been a bumper period for employees celebrating long service milestones! Below is everyone who's hit a milestone between December 2021 and February 2022.

## 40 YEARS

**MICHAEL ROBERTS**  
Quarry Manager at Ryall

## 25 YEARS

- MAGGIE SARGEANT**  
Secretary at Rugby
- CLARE PICKERING**  
MFS & Operational Support Director UK, Rugby
- GARRY PIDGLEY**  
Quarry Manager at Hamer Warren
- MARK BROWN**  
Area Sales Manager, Leamouth Wharf
- MARTIN WHEELER**  
National Credit Manager, Rugby
- ANDREW LUNT**  
Relief Plant Manager, Tottan Concrete Plant

## 15 YEARS

- PHILIP HARTLEY**  
Lead Driver at Rugby
- BARBARA HUTTON**  
Mortar Sales Administrator at Durham
- JAMES MEE**  
Technician at Somercotes
- CELINE CAVE**  
Trading Coordinator at Rugby
- MEYRICK OSBORNE**  
Transport Planner at Wick
- CHRISTIAN RHODES**  
Plant Manager, Buxton Concrete Plant
- MARK TAYLOR**  
Sales Executive, Castleford Mortar Plant
- DANIEL EVANS**  
Process Controller, Rugby
- JONATHAN BAINES**  
Class 1 Driver (Tanker), Rugby
- GARRY CAROLAN**  
Class 2 Driver, Dove Holes
- COLLETTE BENTHAM**  
Transport Planner, Preston Brook
- CARLIE HARRISON**  
Assistant Quarry Manager, Ryall Quarry
- KARL SMITH**  
Class 1 Driver (Tanker), Rugby
- MIGUEL ROMAN**  
Shift Manager, Rugby
- ANNETTE SYMONDS**  
Environmental Technician, works from home
- STEPHEN EVANS**  
Process Controller, Rugby

- MATTHEW RUDD**  
Team Leader, Rugby
- KEELEY HERBERT**  
Weighbridge Operative, Stourton
- TIMOTHY SMITH**  
Class 1 Driver (Tanker), Rugby
- EMMA BROOME**  
Transport Planner, Rugby
- ELIZABETH WALLACE**  
Transport Planner, Rugby
- JESSIE RYAN**  
Customer Service Team Leader, Rugby
- MIRANDA CLEGG**  
Sustainability Manager, Southampton
- KEVIN FOOKS**  
Supply Chain Planning Analyst, Southampton

# COFFEE BREAK INTERVIEWS

For this edition's coffee break interviews, we spoke to new starters across the business:

**DAN MANN, PUBLIC AFFAIRS ANALYST**



What were you doing before you joined CEMEX?

Before I joined CEMEX, I was working in public affairs for a French tech company, focussed on promoting a more digital society. Prior to that I worked for a government minister, and also in insurance.

What attracted you to working at CEMEX?

Working for an organisation that is proud about what it does and wants to be the market leader and trend setter, being proactive and leading from the front, rather than following and staying with the pack is very exciting to be a part of. This, along with being part of a team that puts its people first, and has a conscience for its societal impact at every step.

What are you most enjoying about your role so far?

I'm really enjoying the breadth of the role. With CEMEX having involvement in almost all aspects of life from trucks to tax and everything in between, it means the policy and regulatory challenges we face are absolutely unique and change daily! Working with a great European team and hearing the unique challenges they face is also very interesting.

What are you personally most excited for in 2022?

With any luck, and very good cancellation travel insurance, being able to travel again - maybe a pint in a bar in Chicago, touch wood!

**CHIEDZA MUPFUMIRA, SOCIAL IMPACT SPECIALIST, UK**



What were you doing before you joined CEMEX?

Before relocating to the United Kingdom and joining CEMEX, I was working for one of the largest mining companies in Southern Africa, based in Zimbabwe.

What attracted you to working at CEMEX?

More than anything, the role. I have always enjoyed working with different groups of people and this role provided an opportunity for me to explore social impact on a broader scale. Having worked in the building materials sector before, working for CEMEX took me back into a familiar space but in a different environment.

What are you most enjoying about your role so far?

Exploring projects, working with diverse stakeholders to ensure that the business has a net positive impact on society. CEMEX social interventions are contributing to causes and making a real difference.

What are you personally most excited for in 2022?

This year, CEMEX is running a global campaign designed to raise more awareness on the Sustainable Development Goals and how we as a business are positioned. I am excited to see how this will unfold and how individuals will start to appreciate their roles and contributions to building a better future.



**CAROLINE GARDNER, MARKETING SPECIALIST**



What were you doing before you joined CEMEX?

I worked as a marketing executive for a national heating and plumbing distributor. I managed the full marketing calendar for the plumbing and electrical categories, working with the category managers and suppliers to deliver on targets. I also led the company-wide email strategy, introducing a targeted and personalised approach by integrating our email platform with CRM.

What attracted you to working at CEMEX?

I wanted to work for an established global company as I find multinational companies offer the most opportunities to grow and develop. However, the decisive factor was CEMEX's vision to be a leader in sustainable construction, showing a clear indication of its responsibility to ensure a sustainable future.

What are you most enjoying about your role so far?

Learning about CEMEX's diverse product portfolio, especially becoming more knowledgeable on our VAPS and other areas of innovation such as CEMEX GO.

What are you personally most excited for in 2022?

Meeting some colleagues face-to-face if things return to normal, or near-normal any time soon.



# THANKS FOR YOUR EFFORT WINNERS!

**Congratulations to the latest Thanks For Your Effort winners, Paul Cooke (Materials Readymix) and Gemma Crawford (Customer Service Cement) for working tirelessly to maximise our cement allocation and overcome supply chain challenges. Both have worked from dusk until dawn and dealt with issues over the weekend to try and help ease the cement shortage.**

Without the collaboration between Paul and Gemma many more of our Readymix customers would have been let down, resulting in larger losses and reduced aggregate throughput. Some of your comments about their work are as follows:

"The way that these two have worked together in 2021 has been exceptional. A perfect example of One CEMEX and its benefits"

"Paul and Gemma collaborated throughout 2021 to minimise the impact of supply issues. They have done so within the spirit of One CEMEX"

Congratulations also goes to the other TFYE nominees, who were:

Luke Tyghe and Dave Tyghe, Stourton Depot & Asphalt Plant

Joe Ells, Readymix Midlands

# MARINE MENTEE UPDATE

The Marine Engineering Cadet, Oliver Stephen, has been spending his sea training on the Sand Fulmar. Last year, he shared an account of his experience in UK News, and now has an update for us all:

"I have now spent almost three months on board in total, and I'm still thoroughly enjoying my time on the Sand Fulmar. Having struggled to gain my sea time previously, the opportunity that CEMEX UK has provided me with has greatly accelerated

my career progression, and there has been no looking back!

The excellent training I have received has continued throughout my time onboard. The engineering officers have been great in teaching me maintenance and operation procedures, as well as giving me help and advice to prepare for my EOOW Oral exam. I hope to take it later in the spring.

I have also enjoyed seeing an array of machinery

overhauls, planned maintained tasks and refit periods with shoreside assistance. Furthermore, in this time I've had the opportunity to work with two different crews. I think this gives a good perspective on different approaches and techniques when working in the engine room, this I believe has benefited my learning curve.

I have really developed my skills in this sea phase and would again like to thank all at CEMEX UK Marine who have supported me with this crucial stage of my career."

