

Our CEO engaged in a conversation with six teammates to summarise key topics of 2020 for Etex.

# We care about safety

Keeping our people safe is our number one priority. We have implemented rigorous safety procedures on all our sites to prevent and avoid accidents. Our ambition is to ensure that every Etex colleague comes back home safe and sound every day.

For Etex, 2020 was the best year ever in terms of safety performance. Our employees expressed great satisfaction over the safety rules, including those regarding COVID. A clear priority given to safety and people allowed us to restart our operations with much confidence from our people.

Watch the video



→ Yves Van den Kerkhof  
Global EHS Manager

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## About Etex

Our company & strategy

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United to  
deliver inspiring  
ways of living

Etex inspires the world to build safe, sustainable, smart and beautiful living spaces by providing lightweight solutions to its customers, including fibre cement and plasterboard applications, offsite modular building systems, high performance insulation and fire protection.

## What we do

Through our four divisions, we strive to lead within well-defined business segments.

### Building Performance

Leader in plasterboards and fibre cement boards, and the global reference in fire protection solutions for the residential and commercial segments.

### Exteriors

Provider of innovative, durable, high performance and beautiful fibre cement exterior materials for architectural, residential and agricultural projects.

### Industry

Front runner of engineering expertise to drive the future of high performance thermal and acoustic insulation as well as fire protection in the industrial, aerospace and energy sectors.

### New Ways

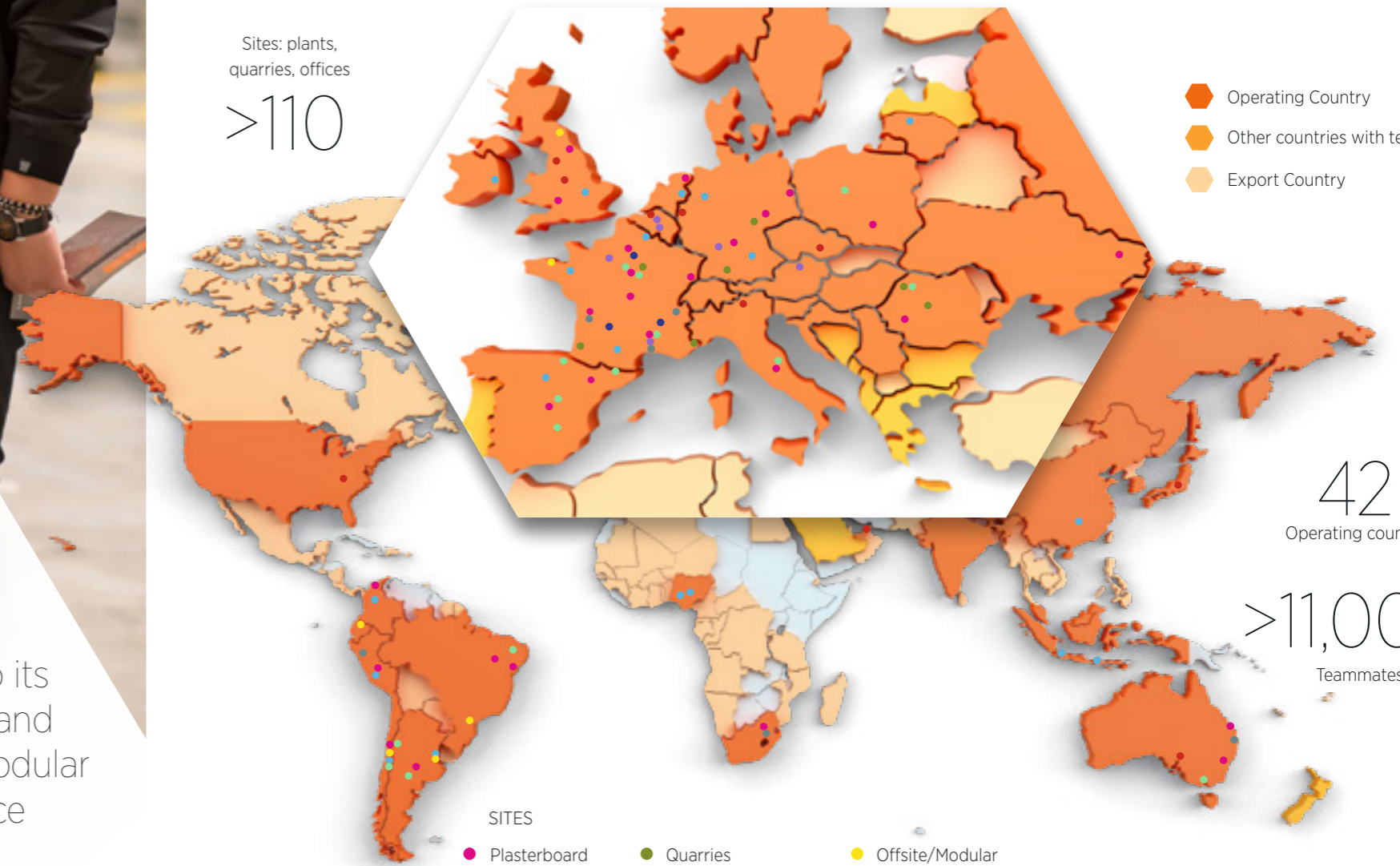
As a new division created in January 2020, New Ways offers high-tech offsite modular solutions based on timber and steel framing.

## 3 values we all share



Sites: plants, quarries, offices

>110



42  
Operating countries

>11,000\*  
Teammates

#### SITES

- Plasterboard
- Quarries
- Offsite/Modular
- Fibre Cement
- Insulation
- Innovation and Technology Centre
- Fire Protection
- Plaster & compounds
- Other

\* Excluding the Residential Roofing companies which have been divested in 2020 as well as the personnel of Knauf's former plasterboard business in Australia, as this operation was completed in February 2021. The figures includes the personnel of FSI Limited, which was acquired by Etex in September 2020.

# Our main commercial brands

## Building Performance

Spanning our Industry and Building Performance divisions, **Promat** is our global brand for passive fire protection, high-temperature applications and intumescent seals. We supply a range of solutions worldwide, including ducting, structural protection, compartmentation, insulation and fire-stopping solutions. Our products are used in a range of industries and applications, including residential, sports and leisure, healthcare, hospitality, offices, education and tunnels.

**Durlock, Gyplac, Kalsi, Siniat and Superboard**, our lightweight dry construction brands, supply gypsum-based building materials and fibre cement boards. They offer interior and exterior systems (partitions, ceilings, through-wall flooring and decorative systems) that simplify construction, boost occupants' quality of life and deliver customer-focussed value and services to our partners.



## Exteriors

Exteriors brings aesthetically attractive and high-performing fibre cement exterior solutions to the residential, architectural and agricultural sectors through three core brands.

**Cedral** offers beautiful fibre cement solutions tailored to each personality and living space, enabling true customisation. For roofs, façades, and terraces, Cedral provides unique, attractive and high-performing products. Our fibre cement slates protect homes, our sidings bring creative façade visions to life and our terraces offer a unique tactile experience.

**Equitone** is our global brand for architectural fibre cement façade materials, specified for mid- to large-sized buildings. We work with and for architects to design smart and resilient materials that reduce environmental impacts. Our customers seek new ways of building above and beyond accepted standards – actively influencing industry-wide change.

**Eternit** fibre cement corrugated sheets contribute to durable and sustainable agricultural and residential structures. In Europe, we strive to be a partner to entrepreneurial farmers by helping them to protect their assets and to grow their potential. In Latin America, we offer high performance and excellent value for cost in the low-income housing sector.

## Industry

**Promat** is the Industry division's principal brand and the benchmark for passive fire protection, fire-stopping solutions and applications requiring high-temperature and acoustic insulation. The Promat range of products is the most comprehensive of its kind on the market and includes calcium silicate, microporous and intumescent materials, fibres and textiles and cementitious sprays.

All Promat materials are designed for use in the most demanding environments and extreme temperature conditions, and are available in various forms. These include rigid and flexible boards, vacuum-insulated panels, custom-made parts, blankets, wools, sprays and intumescent strips and granules. These solutions are used worldwide in a range of applications as diverse as renewable energy, fire doors and dampers, batteries, furnaces, glass and steelmaking, industrial piping, steel and concrete structures and trains. Through our products and solutions, Promat helps make our customers' processes and end products safer, more efficient and sustainable.



## New Ways

With its New Ways division, Etex aims to shape the future of construction by offering lightweight, industrialised, offsite building solutions. The division's companies (either fully-owned or in the form of various joint ventures), based in Europe and Latin America, offer an extensive portfolio of solutions through the brands **E2E, Tecverde** and **EOS**, featuring wood and steel framing technologies, ranging from engineered studs and tracks to fully designed and engineered houses and buildings.



# Our stakeholders

Customers, employees, partners, suppliers, shareholders, investors, media, job applicants, local communities... Our stakeholders are the drivers of what we do. They help us determine the steps towards the future, not only when it comes to product and commercial excellence, but also in terms of sustainability and positive global impact. Providing them with relevant information about Etex is paramount to build a trust-based relationship and to reach a higher level of transparency.

Our corporate communications team can be reached at

[info@etexgroup.com](mailto:info@etexgroup.com)

## Financial stakeholders

Shareholders, investors and financial institutions.

### Our commitment

Optimally balancing sustainable growth while guaranteeing transparent communication about our performance and outlook.

### How we connect

Etex's shareholders are presented with relevant information about our business during our annual shareholders' meeting. **Full-year and half-year results** as well as **strategic developments** are communicated to our financial stakeholders through press releases and other documents published on our website (dedicated Investor Relations and Annual Report sections).

## Internal stakeholders

Current and future employees, Senior Leaders and trade unions.

### Our commitment

Maximising their safety, informing them about key decisions, connecting with each other and facilitating personal and professional development.

### How we connect

Our local businesses maintain a dialogue between **more than 11,000 employees in 42 operating countries** through tailored communication channels. We engage with our employees at group level through our intranet platform Etex Core, events, webinars and various communication campaigns.

Etex's **Senior Leaders** from around the world gather annually (2020 was an exception in the context of the COVID-19 pandemic) and attend webinars hosted by the Executive Committee every two months. These events encourage our leaders to ensure that every single one of our employees is informed.

## External stakeholders

Local communities, NGOs, suppliers and the media.

### Our commitment

Diligently establishing and building upon sustainable and transparent relationships.

### How we connect

As specialists within their geographies, our local businesses design and implement optimal communication channels with their **communities**.

At group level, we partner with international NGO **Selavip**, which supports housing projects for underprivileged people in Africa, Asia and Latin America.

**Press relationships** are nurtured at a local level. Belgian and foreign journalists are also in direct contact with Etex's corporate communications team.

## Commercial stakeholders

Architects, construction companies, distributors, contractors, installers, specifiers and homeowners.

### Our commitment

Proactively meeting their needs by offering superior building solutions and empowering them to construct the most efficient, ambitious and inspiring projects.

### How we connect

Etex shares information with its **customers and other commercial stakeholders** which suits their needs. On group level, our Innovation & Technology Centre in Avignon, France invites customers to co-innovate during our annual Innovation Days (2020 was an exception in the context of the COVID-19 pandemic). Our purchasing team engages with our largest suppliers at group level.

# Our continuing journey towards a promising future

In 2020 we involved all Etex teammates worldwide in the launch of the #UnitedToInspire engagement campaign. The aim: to proudly unite all Etex employees and earn their support to fulfil our Etex purpose.

## Meeting the needs of the world with our best strengths

At the very core of Etex is a clear purpose: inspiring ways of living. It is an invitation to **deliver our customers an outstanding experience** with lightweight building solutions that **tackle the megatrend challenges** that our world is confronted with. It guides us to leverage expertise and contribute to our unique promise of providing ever better solutions for smart, safe, sustainable and beautiful spaces.

### Safe

Etex's innovative fire protection, plasterboard, fibre cement and insulation solutions protect buildings, infrastructure, home appliances and even vehicles from damage.

### Sustainable

Our world-leading plasterboard, insulation, lightweight and thermally efficient products, and modular building technologies optimise resource use. We strive to reduce waste and boost efficiency in our own factories as well.

### Smart

Etex products and solutions bring affordable, efficient and resource-saving benefits to the entire supply chain via innovation (through our Innovation and Technology Centres), digital, modular technologies and lightweight construction.

### Beautiful

Our unique siding, façade, roof and terrace solutions offer aesthetic appeal, personalisation and architectural freedom.

## An ambition that is deep-rooted in our Etex culture

At Etex we continuously strive to contribute to the transformation of the construction industry with the same pioneering spirit that led to the research, development or improvement of fibre cement, plasterboard and fire protection solutions for over a century. **Our purpose gives direction to our strategy, guiding us to foster stronger and closer ties with customers and leveraging innovation as a driver of success.** It motivates us to enhance processes while committing to safety in the workplace. It drives us to create an inclusive environment which enables employees to grow their expertise within innovative, collaborative teams.

### Our purpose gives meaning to our values.

'Connect and Care' with the world and with each other: to closely work together with teammates as well as with partners and customers, to bring out the best in each other and to care for safety and well-being. 'Passion for Excellence' to improve living conditions. 'Pioneer to Lead' to drive valuable change for the world.

## Our industry faces tremendous challenges and opportunities

Our world faces enormous needs for sustainable and qualitative living spaces. In the midst of global megatrends such as population growth, resource scarcity, climate change, regulatory complexity, disruptive technologies, rapid urbanisation and housing crises, Etex is already a key player in fire protection, insulation and fibre cement solutions, and holds strong positions in all its markets and geographies.

### To make a real difference for our customers we need to further join forces and focus on our true strengths.

Soon we will be close to ten billion people on this planet, needing ever more quality space for better living and working. We need to work together to make full use of new technologies and possibilities, to stay close to our partners, to be ahead in our industry and to provide ever better solutions to our customers.

By building on our strengths, we believe that we are fully equipped with the resources, focus, talent and drive to harness industry disruption, paving the way for agility, partnerships and ever-more-effective solutions. As part of this approach, **we are convinced that lightweight and modular building technologies hold critical keys to a safer, smarter, more beautiful and sustainable world.**



## Our three-pillar agenda



# Strong delivery on our strategic roadmap in challenging times

Throughout 2020, despite the pandemic, Etex successfully accelerated the execution of its six-pillar strategy. Further strengthening our core businesses through mergers and acquisitions, completing the exit of the residential roofing segment as planned, and introducing sustainability as a core element of our strategy – all whilst delivering record cash flow.

## PILLAR 1 Reinforcing our strong position in plasterboard

In February 2021, we completed the acquisition of a major player in the Australian plasterboard market. The business, with its state-of-the-art facilities and strong pool of talent, expands Etex's geographic footprint into a major new region with excellent potential to build a platform for future growth.

Our market landscape and customers' expectations continue to evolve at an ever-increasing pace. Our goal is to adapt to these changes and transform to become a truly customer-centric organisation.

During 2020 we made significant steps to deliver superior customer experiences by:

- reviewing **our core plasterboard segments** and identifying the best ways to meet their needs;
- **aligning our structures and processes** to take a more harmonised approach towards commercial excellence;

- **accelerating our digital transformation** in order to offer new channels to interact with our customers;
- developing **new business models** to enhance our market position and profitability.

## PILLAR 2 Maximising our fibre cement position

In 2020, having successfully addressed the quality issues which we faced in 2019, we embarked on

the 'House of Brands' project with the aim of refocussing our fibre cement brands around the real-life needs of our customers. Market insights formed the basis of a carefully considered and **simplified brand architecture**, which was rolled out through a series of in-depth workshops across different geographies.

Aligned with this exercise, we also made significant progress on building our digital footprint, enhancing the way customers experience our new brand architecture.

## PILLAR 3 Accelerating growth in passive fire protection

Etex continues to be a global leader in the passive fire protection market. Our acquisition of **UK-based passive fire-stopping manufacturer FSI Limited** in September 2020 further strengthens our position within the fire-stopping segment. In becoming part of our business, FSI will benefit from our global reach and technological know-how in fire-stopping, whilst bringing Etex even closer to its customers in both the UK and Europe.

## PILLAR 4 Driving sustainability in the way we develop business

In 2020, **sustainability became one of our six core strategic pillars**. We are implementing step-by-step initiatives and projects to improve our social and environmental impact. In 2020, Etex became a **signatory to the UN's global compact for sustainable and responsible business practices**, adding to our existing commitment to its Sustainable Development Goals (SDGs). Our business practices are adapted to sustainability, which also reflects in our ESG rating of 18.5 out of 100, meaning Etex ranks favourably amongst its peers in managing material risks associated with the areas of environmental, social and governance standards.

We have partnered up with leading **sustainability rating company Ecovadis** in the development of a supplier rating programme, which was launched in March 2021. 2020 saw us achieve the milestones of 50% of our worldwide electricity supplied from

renewable sources and the achievement of 100% sustainable sourcing for all plants in Europe and Chile.

In terms of **decarbonisation**, we deployed continuous improvement initiatives across the organisation with concrete metrics and dashboard, launched seven photovoltaic projects in Spain, Italy, France, Belgium and Germany, and introduced **energy-saving technologies** such as pinless mixers and heat recovery equipment. During the year, our **consumption of potable water** has been reduced to 23% of total water usage, with zero being our ultimate goal.

In 2020, we reduced the proportion of our waste sent to landfill to 20%, a small but steady decrease compared to the previous year.

## PILLAR 5 Embedding digital in our value chain, driving optimisation and growth

Our goal is to embed digital in the core of our company, with customer centricity at the centre of our efforts. In 2020, we reached a number of key milestones on our digital marketing, e-commerce and innovation roadmap, and further developed our digital strategy for 2021-2022.

We began rolling out My Etex, a **worldwide customer portal** which includes e-ordering capabilities to simplify order processes. **Marketing automation capabilities** were also launched, enabling us to offer the right messages at the right time to the right customers. We introduced a **brand-new business model for Cedral**. A **world-class customer experience** was unrolled across

all online and offline channels, paving the way for a digitally enabled customer service organisation. New opportunities for growth have been identified through the use of digital in **industrialisation, sustainability and new services**.

## PILLAR 6 Disrupting with new ways of building

The **New Ways division was launched in January 2020**, gathering our expertise, technologies and initiatives in modular and industrialised construction under a single, more agile organisational structure.

In February 2020, we completed the acquisition of a majority stake in Brazilian timber-framing and **industrialised construction pioneer Tecverde** through E2E, our 50/50 joint venture with Arauco. The addition of Tecverde to our New Ways division will enable us to broaden our offering and to achieve our ambitious business plans in South America and Europe.

During the pandemic, we devoted significant effort to **refining our modular construction strategy** and evaluating potential targets for mergers and acquisitions. Turning our focus towards our key European markets, January 2021 saw Etex purchase a majority stake in **French modular building company e-Loft**, providing our New Ways division a gateway into continental Europe.





# Globally supported by engaged teammates

Early 2020 a refreshed Etex story and identity were launched with all employees worldwide. It was the culmination of a collaborative effort of many years. First Etex fine-tuned its purpose – Inspiring ways of living – to meet the urgent needs of the world and the challenges of the building industry. It refocussed the company on its strategy towards offering lightweight solutions that are ever more safe, sustainable, smart and beautiful.

## Speaking in one voice as a strong global team

The next step forward is to increase the trust of customers globally by building Etex into a strong corporate brand. **The Etex umbrella brand aims to unite all employees worldwide as one team**, focused on supporting a portfolio of local, regional and global commercial brands.

To prepare the path, a task force was set up with brand specialists from every Etex division and key people from the Etex corporate brand team. Based on their insights a new Etex brand identity was developed.

*“The new brand identity enables Etex teammates worldwide to speak in one voice and present themselves to the world as a united and confident team.”*

→ **Lionel Groetaers**,  
Head of Corporate Communications

## Engaging all co-workers

The first priority was to get all Etex employees on board and make them feel proud and involved as true Etex teammates. An employee guide and a corporate video explained the Etex story in an accessible way.

*“We want each employee to feel proud and motivated, connected and inspiring their global teammates.”*

→ **Malcolm Stamper**,  
Corporate Brand Coordinator

The brand engagement programme kicked off with a teaser campaign inviting all Etex teammates to take part: ‘Are you ready to team up?’ In the first months of 2020 a series of global town hall meetings featured the theme line **‘United to Inspire’**. These team building events were set up to inform and enthuse every Etex co-worker across the world about the ambitions driven by our purpose and the refined Etex identity. The main objective was

## Teammates?

Why do we call Etex colleagues ‘teammates’? True to our Etex sense of purpose and values - especially ‘Connect and Care’ - we are inspiring colleagues for each other and inspiring partners for our customers. We are highly ambitious to make a difference in improving quality of living for all. We can only achieve that goal if we collaborate and do good for those closest to us. Caring for our fellow teammates is key to put our joint purpose into practice. Each and every one of us can shine and should be proud to be an active member of the Etex team, across countries and cultures. Team spirit drives our collaborative culture!

to make them feel and enjoy the drive of being one united Etex family, **a strong global team in which each teammate plays an active part**.

As the numerous shared reactions and videos from all over the world attested, the global events created much enthusiasm for the united Etex movement. This year several follow-up campaigns and initiatives are scheduled to strengthen the global team spirit and nurture employee engagement.

and efficient connection with the commercial brands, thus catalysing a brand ecosystem that supports and further develops them. Simple and efficient endorsement guidelines have been introduced, enabling the corporate brand and the commercial brands to take benefit of each other. The Etex commercial brands bring Etex’s promise of “Inspiring ways of living” to the market.

## Showing our colours to the world

As the refined corporate brand identity was revealed, it was gradually installed in and on Etex sites around the world. The hexagon shape refers to the logo and is inspired by the Etex lightweight solutions. With six sides and six angles, it symbolises a sense of collaboration and partnership, close to the Etex values – especially ‘Connect and Care’. It is a strong and solid shape that evokes strength and excellence. Different formats of the hexagon are used to create dynamism as well as unity – in an overall warm and friendly colour palette with a caring touch and prominent Etex orange.

The refined identity is a crucial step in a journey that will allow Etex more than ever to express a close connection with its markets and customers. The shapes and colours of the refined corporate brand identity allow an easy

### Short testimonials from Etex teammates around the world

*“We are one family, one team”*  
→ **Miguel D’Eboli**, Etex Munro, Argentina

*“Our great Etex family inspires us to constantly improve ourselves”*  
→ **Yonis Vargas Cera**, Etex Cartagena, Colombia

*“Stay united to complete your work together, as a team it makes it easier”*  
→ **Edi Kurniawan**, Etex Gresik, Indonesia

*“A close-knit team enables personal growth”*  
→ **Roberta Facheris**, Etex Filago, Italy