SUMMARY OF THE SUSTAINABILITY REPORT



LETTER TO THE STAKEHOLDERS



Veronica e Marco Squinzi co-CEOs

Throughout its more than 80-year history Mapei Group has had to overcome numerous challenges, but it was over the course of 2019 that our great family found itself having to face its most difficult period.

The loss of our parents, Giorgio Squinzi and Adriana Spazzoli, irreplaceable beacons that guided us all through a process of constant personal and professional growth, left us feeling shocked but not defeated. The famous words of our father Giorgio, however, "Never stop pedalling", gave us courage and helped us overcome this moment of gloom and set off again with renewed focus and drive.

Their energy and their desire to play a leading role in the world of business were an example to the more than 10,500 people that work in Mapei, who came together to enable the company to close another year successfully with excellent results.

Internationalisation, Specialisation, Research and Development and Sustainability, the cornerstones of our strategy, are behind this excellent result, but they would have been of no use without the ideas, the hard work and the determination of all our employees; the same employees that, even during the most critical moments of the health emergency, gave their all to guarantee the continuity and stability of the Group.

When we were handed the baton the identity and the heart of Mapei did not change, nor will they change: passion, commitment, transparency, talent and

competitiveness will continue to be the values that inspire all the Group's activities, indispensable qualities at the foundation of the relationship with all our stakeholders, the fundamental elements that help us overcome whatever difficulties we encounter.

Four years ago our mother, Adriana, who always had the ability to look further ahead than anybody else, planted a visible seed on the concept of sustainability in the Group by publishing the first Sustainability Report, which told all our stakeholders what the company actually was and what it stood for, and not just economic performance figures (2.8 billion Euro turnover in 2019) and a catalogue of the products and solutions on offer. A document that spoke openly and clearly to all its readers, describing Mapei and its commitment in the field of innovation, the care for its employees, the attention it pays to the environment and, above all, its deep, constant bond with the community and territory. Now it is our turn to nurture this "sustainability seedling" we inherited and to carry on watering it with perseverance and passion, exactly the way she taught us to. And so, it is with great pleasure and pride that we present Mapei's fourth Sustainability Report, which we dedicate to all of you, but above all to our father, Giorgio, and to our mother, Adriana.

Veronica and Marco Squinzi







OUR FOURTH SUSTAINABILITY REPORT

For the last four years, Mapei has been sharing with its stakeholders the results achieved by the company in the field of sustainability, by describing the activities undertaken to monitor and reduce the impact of production processes and products on the environment and to promote and support its employees and the community, while continuing to achieve increasingly satisfying economic results.

This year, too, Mapei has published its annual Sustainability Report which, similarly to the previous editions, opens with an introduction and is followed by four sections, with each one dedicated to one of the ingredients of Mapei's winning recipe: research and development, focusing on people, efficiency of the production system and the relationship with the community.



Roadmap of the 2019 Sustainability Report

The 2019 Sustainability Report, drafted according to GRI (Global Reporting Initiative) Sustainability Reporting Standards, highlights the main environmental, social and economic issues that characterise the company and retraces the initiatives undertaken and the results achieved throughout the reference year.

The document refers to Mapei S.p.A. (from herein the Parent company) and the Italian subsidiaries Adesital S.p.A., Cercol S.p.A., Mosaico+ S.r.I., Polyglass S.p.A., Vaga S.r.I. and Vinavil S.p.A. For the purposes of the Report, the company Fili & Forme S.r.I., which was acquired in April 2018, is considered in scope. The figures for this company only take into consideration the year 2019 and, within the document, the name "Mapei Italy" is used when this company is in scope.

Lastly, similarly to previous years, the report does not include the results for the companies U.S. Sassuolo Calcio S.r.l. and Mapei Stadium S.r.l.

The route taken by Mapei in drafting this Report involved forming a dedicated work group, which included representatives of top management, to follow each step of the activities carried out for the preparation and drafting of the document. Numerous corporate functions were also involved in the project and provided input for their respective area of expertise.

Regarding the identification and attribution of priorities for Mapei stakeholders, what emerged during the drafting of the previous Sustainability Reports has been upheld; materiality analysis, on the other hand, was reviewed and updated through a process involving the direct participation of the Mapei work group.



SUSTAINABILITY FIGURES

All figures refer to Mapei Italy* organisation

836.5



MILLION EUROS DISTRIBUTED TO STAKEHOLDERS IN 2019 9%



OF 2019 TURNOVER FROM PRODUCTS WITH FORMULATIONS LESS THAN THREE YEARS OLD

37.8
MILLION
EUROS
SPENT
ON R&D
IN 2019



MORE THAN

3,500

HOURS OF TECHNICAL TRAINING AND MORE THAN

50,000

PARTICIPANTS IN 2019





NEW PRODUCTS LAUNCHED ON THE MARKET IN 2019 TONNES OF CO₂ EMISSIONS DURING THE LIFE CYCLE OF KERAFLEX MAXI SI ZERO ADHESIVE OFFSET BY PURCHASING CREDITS TO PROMOTE EXPANSION OF THE DELHI METROPOLITAN RAIL NETWORK



^{*} Does not include U.S. Sassuolo Calcio S.r.l. and Mapei Stadium S.r.l. (refer to page 1).



OF PURCHASED GOODS (IN WEIGHT) FROM ITALIAN **SUPPLIERS**







NATIONS IN 2019



ACCIDENT **FREQUENCY INDEX IN 2019**

OF EMPLOYEES WITH A PERMANENT **WORK CONTRACT**





HOURS OF TRAINING FOR EMPLOYEES (20 HOURS PRO CAPITA)



MILLION EUROS CONTRIBUTED FOR SPORTING, CULTURAL AND SOCIAL INITIATIVES

WINNER OF THE **2019** WINNER OF THE **2019**

Best Company Experience award Sustainable Development award

** The percentage was calculated based on the figures for those companies in scope for the 2108 Consolidated Financial Statements: Mapei S.p.A., Adesital S.p.A., Cercol S.p.A., Mosaico+ S.r.I., Polyglass S.p.A., Vaga S.r.I. and Vinavil S.p.A.





Material issues

For this year's Report, the work group confirmed the materiality published last year, apart from one aspect; the addition of a "high" priority class for the subject of **Circular Economy**. The reason behind this new attribution is the growing level of interest shown by Stakeholders, who are becoming increasingly sensitive to issues such as the recovery and re-use of waste products and a reduction in the consumption of virgin materials, and the Group's clear commitment to such issues, which was also acknowledged by being awarded its first "2019 Sustainable Development Prize" in the Circular Economy category.



Mapei stakeholders

In order to assess whether the main Mapei Stakeholders matrix needed to be remapped, the analysis carried out in previous years was reviewed and the validity of both the stakeholder categories that had already been defined, and their relative level of priority in terms of their dependency on Mapei and the influence their particular area of business and the decisions they make can have on the Group, were confirmed. The only variation is the Competitors entry in the "Other sector operators" section, to provide a more effective and complete representation of the relationship between Mapei and the major players from the chemical industry and the building industry.

Mapei 2019 materiality analysis (refers to Mapei Italy organisation)

Very high

- Product quality and safety
- Innovation and Research and Development
- Product sustainability and LCA perspective
- Client focus
- Health and Safety in the workplace
- Anticorruption measures and transparent communication

High

- Energy consumption and climate change
- Sustainability of buildings and certification
- Welfare of employees and training
- Creation of economic value
- International presence
- Relationship with local communities (including sponsorships)
- Responsible management of the supply chain
- Atmospheric emissions
- Purchasing from local suppliers
- Waste materials management
- Circular economy

Medium

- Equal opportunities and diversity in general
- Protection of trade-marks and production know-how
- Biodiversity
- Human rights
- Water consumption and discharge

Significance for Mapei Italy

In continuity with last year, Mapei Group endorses, supports and upholds the 2030 Agenda. What is more, Mapei has identified 4 reference objectives to focus on which are close to its values and commitments and which it believes can have a significant effect on its business activities.









Significance for stakeholders

Employees



Community





Research and Development partners

Legislators, Public Administration and Inspection and Control bodies

- · Code of Ethics

Suppliers



Clients and End users

- social media and newsletters
- guides and dedicated software

Other sector operators



Overseas branches and subsidiaries





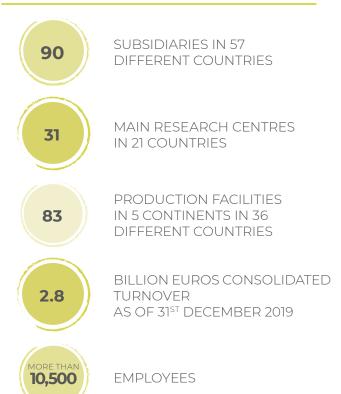


A STORY OF SUCCESS BUILT STEP BY STEP

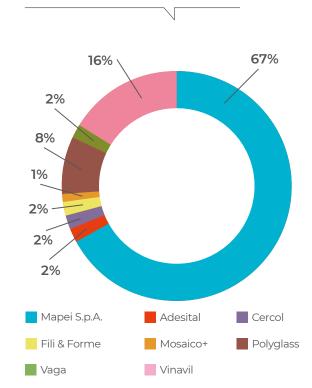
Quality and innovation, professionalism and competence, efficiency and durability: these are the points of strength for which the Mapei brand is known all around the world and, thanks to which, the Group, driven by a well-established strategy of internationalisation, has been able to go from being a small company on the outskirts of Milan to one of the key international players on the market for adhesives, sealants and chemical products for the building industry.

Apart from its innate aptitude for constant innovation and technological improvement, two other distinctive and successful qualities complete the Group's profile: a commitment to sustainability in all its forms, including the development of products that safeguard people's health and the environment, and transparency when communicating results and performances so that the bond between Mapei and its clients and collaborators is kept alive and remains truthful and insightful.

Mapei Group around the world in 2019

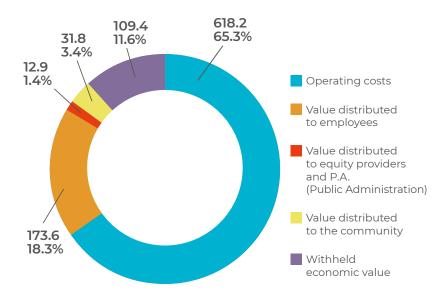


Mapei Group employees - Italy December 2019



Generation of value for stakeholders

Distribution of economic value generated in 2019 (million € and percentage)



Doing business ethically and transparently

Professional conduct and transparent communication at the heart of corporate activities to reach every objective





In July, 2019 the company introduced a new governance structure with a Board of Directors (BOD), with Giorgio Squinzi assuming the role of President and CEO. The other members of the BOD included his children, Veronica and Marco Squinzi, currently co-CEOs, Lawyer Laura Giovanna Squinzi and Architect Simona Giorgetta, both in the role of Directors.

Following the passing of Giorgio Squinzi on 2nd October, 2019 Laura Giovanna Squinzi took on the role of President.

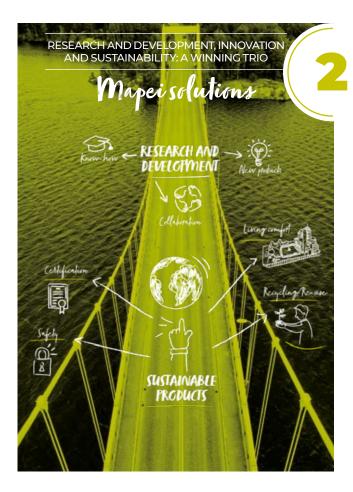
A distinctive characteristic of Mapei, and an integral and complementary feature of the day-to-day running of the company, is the Group's constant commitment to **maintaining and ensuring transparent**, direct lines of communication with all its internal and external contacts to guarantee and preserve a solid relationship.

An important instrument adopted to ensure the company's commitment to communicate to internal

and external contacts is the **Code of Ethics**, which was drafted as part of the Organisation, Management and Control system according to Decree 231/2001 (Form 231), which enables Mapei to declare and present its ethical values according to 10 fundamental principles.

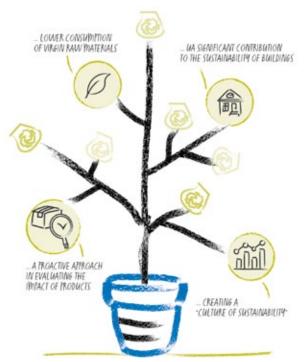
In compliance with the reference standards, Mapei and its Italian subsidiaries have also adopted a Whistleblowing Policy to regulate and sanction any wrongdoing brought to the attention of the company. Regarding the impact products have on the environment, Mapei has various transparent communication instruments available, such as the Environmental Product Declarations, the environmental certifications and the certified management systems. Apart from the above, the company also communicates through newsletters, websites, social media, advertising, company videos and the two-monthly company magazine, Realtà Mapei.





Enabling sustainability through ...

Highly intensive Research and development in the name of innovation and sustainability





RESEARCH AND DEVELOPMENT, INNOVATION AND SUSTAINABILITY: A WINNING TRIO

"Research is the brains behind Mapei's growth".

Marco Squinzi

In 2019 the Group qualified around 400 raw materials and modified, or created from scratch, more than 3,800 formulations. Lastly, 9% of Mapei Italy's turnover in 2019 came from formulations less than three years old.

These figures are the result of passionate, meticulous research work by a team of dedicated professionals working in 31 Mapei research centres around the world (6 in Italy), and to the constant, substantial investments into R&D activities¹, which in 2019 amounted to around 40 million euros.

Mapei Research also owes its success to the solid bond that has been forged over the years with the Scientific Community. Joint work projects with Universities and Research Institutes enable Mapei, on the one hand, to feed the creativity and innovation of its own R&D structure, while on the other hand provide the Scientific Community with more intangible benefits, such as production know-how and shared experiences, as well as economic benefits. In 2019 Mapei Group distributed a total of almost 441,000 euros to Universities and Research Institutes.

¹ This amount includes the cost of R&S personnel, external consultants, depreciation costs of laboratory equipment and the cost of materials used in the laboratories.



...A proactive approach in evaluating the impact of products

Monitoring and minimising the impact generated by products throughout their life cycle, from production to packaging and from application to disposal, is a primary objective pursued with attention and passion, first and foremost, by the Group's **Environmental Sustainability** team.

...Lower consumption of virgin raw materials

The company's constant commitment to reducing consumption of virgin raw materials and the production of waste products is at the heart of an important recognition obtained by the Group in 2019. In fact, Mapei was awarded the "2019 Sustainable Development Prize", in the Circular Economy category by the Sustainable Development Foundation and Ecomondo, in collaboration with the Circular Economy Network. The prize was won thanks to the RE-CON ZERO EVO project.



... A significant contribution to the sustainability of buildings

To build structures with a high level of performance in terms of environmental sustainability, Mapei has a comprehensive range of solutions available to help reduce energy consumption in buildings and/or improve the thermal yield of internal spaces.

Apart from systems with environmental benefits,

Mapei also concentrates research and development activities into effective solutions to improve people's wellbeing and comfort, such as soundproofing, counteracting Radon gas diffusion, fire-prevention/protection measures and anti-seismic strengthening work.

...Creating a "culture of sustainability"

In order to make a contribution to the evolution of technical knowledge and encourage cultural development in the building industry, it is important to transmit a sufficient level of knowledge and understanding of your solutions, especially when it comes to the issue of sustainability.

Every year, Mapei Group organises a complete, well-structured programme of technical training conducted by highly-skilled staff.

Apart from the intense training programme, Mapei has various tools and instruments available for its clients to help make specific product information as usable as possible, mobile laboratories that travel all around the country, Safety Data Sheets and Technical Data Sheets, Technical Specifications and design software, a LEED v4 protocol calculator, a library of 3D BIM (Building Information Modeling) objects and the P.A.S.S. (Environmental and Sustainability Profile Summaries),

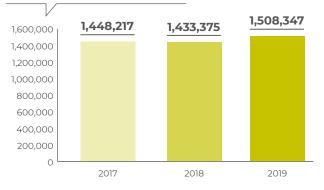
synthetic Product Data Sheets to highlight a product's main advantages in terms of sustainability.







Annual production (tonnes)





EFFICIENCY AND SAFEGUARDING THE ENVIRONMENT ALONG THE PRODUCTION PROCESS AND SUPPLY CHAIN

The Group's production activities are carried out at the Mapei S.p.A. Parent company's plants (in Robbiano di Mediglia and Latina) and at the plants of the subsidiary companies, Adesital (Fiorano Modenese), Cercol (Sassuolo), Fili & Forme (San Cesario sul Panaro), Polyglass (Ponte di Piave), Vaga (Costa de' Nobili) and Vinavil (Villadossola e Ravenna)².

With this configuration, Mapei Group's production activities are characterised by an **integrated production chain** with the added flexibility of each subsidiary's **individual production cycles**.

Production levels in Italy have remained basically stable over the last three years, with a slight increase in 2019 due, in part, to a review of the methods used to calculate the annual tonnage rates by the two companies Vinavil and Vaga, and in part by balancing the production trends of the various Companies.

The subsidiary Mosaico+, which is included in the scope of the Sustainability Report, is not considered to be one of the Group's production companies, in that it assembles, processes and markets goods made from raw materials or semi-finished components produced externally.



Mapei Group's approach to the impact of production processes on the environment

The degree to which production processes impact the environment, in terms of intensity and frequency, depends on the nature of the production activity carried out. For Mapei Group, this means improving the efficiency of its production processes and, at the same time, limiting the degree to which they impact the environment. To achieve this, Mapei monitors all the Group's Italian companies by periodically checking data that

measure production parameters with an effect on the environment, such as energy and water consumption, the emission of pollutants into the atmosphere and the production of waste products. Also, HSE software is being rolled out to automate the collection of data that measure environmental parameters affected by production processes and of other KPIs regarding health and safety in the workplace.

Management Systems

In order to hit production efficiency targets and minimise the impact of the process with a view to continuous improvement, Mapei Group has implemented various certified systems to manage environmental and health and safety issues.

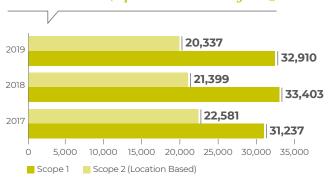
The most significant change with respect to last year was the certification in December of all 3 systems across all Mapei S.p.A. production facilities.

Also, again regarding the Parent company, Mapei management has set the objective of obtaining ISO 45001 certification for all the production facilities and then to obtain unified certification for their environmental and health and safety systems, similar to what is already in place for the quality system.

More efficient transport: Mapei Group's commitment to reducing GHG emissions

The strategy is to limit road transport with trucks in favour of more widespread use of the rail network, through both combined transport (for example intermodal containers) and conventional rail wagons, which traditionally pollute less than road transport.

GHG emissions (equivalent tonnes of CO₂)



Commitment to reducing energy consumption and greenhouse gas emissions

Natural gas and electricity together account for around 85% of the Group's total energy consumption and are used mainly to power production processes (machinery and cogeneration systems) and, to a lesser extent, lighting and heating for production facilities and offices. Production processes also make use of thermal energy and diesel and petrol is used for the company fleet, for vehicles to move goods internally and for emergency back-up systems.

Over the course of the three-year reference period, energy consumption for the Group remained more or less stable, with a slight increase in 2019, in line with the increase in production levels.

To reduce its impact regarding GHG emissions, Mapei has always invested in the installation of **cogeneration plants** at the Group's production plants (Vinavil, Polyglass and Vaga) and **in-house production** of electricity by installing **photovoltaic systems** at the Parent company's production plants in Mediglia and Latina.

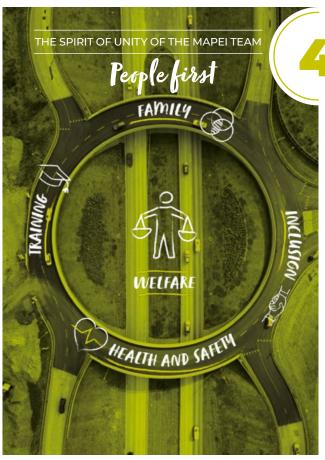
Monitoring emissions of atmospheric pollutants

The pollutants emitted directly into the atmosphere

from the Group's production plants are made up mainly of NOx, dust and volatile organic compounds.

While NOx and a small part of dust emissions come from combustion processes, the volatile organic compounds and most of the dust emitted into the atmosphere come from specific production processes.





Focusing on the wellbeing and safety of people

THE SPIRIT OF UNITY

OF THE MAPFITEAM

"It is the people that make up the remarkable Mapei "family" with their professionalism,

commitment and creativity that have made the Group's success possible".

Veronica Squinzi

Focusing on people means guaranteeing that a workplace takes their personal needs into consideration so they are put in a position to work in healthy, safe surroundings. The company's efforts were acknowledged by being awarded the "2019 Best Company Experience" prize on the occasion of National Health, Safety and Environment Day, which Federchimica reserves for companies that stand out for their initiatives to promote social responsibility. The prize went to the entire Group in recognition of the excellent working practices introduced to safeguard the psycho-physical wellbeing of its employees. The Group also received a mention for its "Ethical Hours Deposit", an initiative whereby employees transfer annual leave to colleagues in need, and the Flexible Benefits platform.

The Group's welfare package also includes numerous other services that each company provides for its employees, such as supplementary health insurance, flexitime and paid medical appointments³, as well as the importance given to safeguarding employees' health and safety.

The guiding principles of Mapei's commitment to these topics may be found in the Group HSE (Health, Safety and Environment) Policy document.

Dental visits and therapy are not included.

COVID-19 EMERGENCY: MAPEI **ALONGSIDE ITS EMPLOYEES** AND THE COMMUNITY

When the first cases in the world and in Italy appeared, the Group decided to act immediately to limit the spread of the contagion amongst its employees. At the end of February, 2020 Mapei implemented a number of preventative measures (e.g. smart working and distribution of PPE to employees) and introduced an insurance package specific for those who contracted Covid-19.

The Group also stipulated an agreement with Trade Union Representatives on measures to manage the Covid-19 emergency, issued a general safety Protocol and supported the community during the emergency by making donations and funding hospitals and supplying solutions to help refurbish and upgrade healthcare centres all over Italy.









A family open to everyone: diversity and inclusion

Diversity and inclusion are very important to Mapei and every year the company is involved in numerous initiatives and projects, and also collaborates with numerous associations and foundations.

One such example is **Inclusive Mindset**, whose aim is to promote the inclusion into the world of work of those at risk of being discriminated. The central event of the project is the Inclusive JOB DAY, an initiative aimed at helping potential candidates and companies come together. Respect and appreciation of those who are different are at the heart of another important initiative which Mapei has taken an active part in for a number of years: we are talking about **Diversity Day**, an itinerant career day dedicated to the physically challenged or those with

For the third year running Mapei has received the **Diversity and Inclusion Award**, confirmation of its commitment to implement specific employment policies for these categories.

And precisely for this purpose, on 1st March, 2019 Mapei signed a convention with the Cooperativa Sociale Spazio Aperto, (or Open Space Social Cooperative), a cooperative dedicated to helping the disadvantaged join the world of work, and with the Government of the Province of Milan.

The remarkable Mapei family

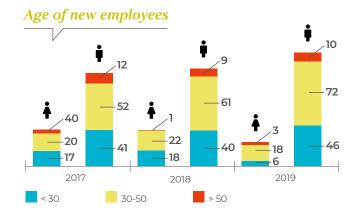
On 31/12/2019 the Mapei Family had 2,297 employees, 3% more compared with 2018.

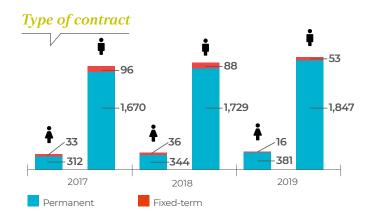
Their division according to age group remained more or less stable with respect to 2018, with a higher concentration in the intermediate 30-50 age group (around 65% of employees).

Over the course of 2019, Mapei also had 78 people (88 in 2018) working on an intern basis or on work experience as part of their sandwich course. Going more into detail, 155 new employees were taken on in 2019 (compared with 151 in 2018 and 146 in 2017), around twice the number that left the company, a similar situation to the rest of the threeyear period (71 in 2017, 79 in 2018 and 92 in 2019). Those who left the company were mainly from the 30-50 age group (52%).











The percentage was calculated based on the figures for those companies





A COMPANY FOREVER CLOSE TO THE COMMUNITY AND TERRITORY

"A company has a very precise role in society; net profit is not its only target. It must also encompass ethical, scientific, human and cultural values that form the real personality and reputation of the company".

Adriana Spazzoli

Mapei is constantly committed to keeping its bond with the community alive through numerous initiatives based on passion for sport, the love of culture and consideration for others.

Sport: teamwork and perseverance

The Group has manifested its profound passion for sport in various ways and for many different types of sport, but its first true love is cycling.

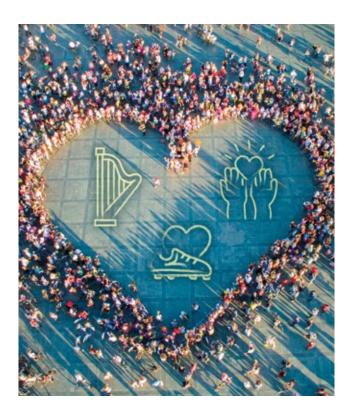
Every year Mapei participates as Main Sponsor at the main event on the international road cycling calendar, the UCI Road World Championships, organises the historic "Re Stelvio Mapei" cycle meet and supports the "Maratona dles Dolomites" through the Mapei Sport Research Centre in Olgiate Olona.

It also sponsors the racing driver Rachele Somaschini, figurehead and fundraiser for the "Correre per un respiro", (or Race to Breathe) awareness campaign, promoted by the non-profit Cystic Fibrosis Foundation.

The Group's main investment in the world of sport, however, is the Sassuolo Calcio football club, sponsored by Mapei, with men's and women's teams participating in every category.

In 2019 Mapei made a further investment in support of the Club's activities, the "Mapei Football Center", a new sports centre available not only for all the teams representing Sassuolo Calcio, but also for the entire community.





Culture: a priceless and timeless patrimony

The Group's closeness to the community and its commitment to help in its development has led Mapei to becoming an integral part of the world of culture, art and music, where its name resonates powerfully, especially when promoting cultural initiatives of excellence and events to raise funds for charity and to promote solidarity. The quintessential symbol of artistic excellence is undoubtedly La Scala Theatre, of which Mapei has been a Corporate Subscriber since 1984 and a Founder Partner since 2008.

In 2019 the bond between Mapei and the Musei San Domenico in Forlì was further consolidated, with Mapei acting as **Platinum Partner** for the exhibition, "Ottocento. L'arte dell'Italia tra Hayez e Segantini", with proceeds going to the non-profit Mediafriends organisation to support projects chosen by the Fabbrica del Sorriso organisation.





Solidarity: a commitment to help others

Mapei plays an active part in various initiatives organised in the name of **solidarity**, to bring assistance to the needy, not only through donations, but also by providing company knowhow, the experience of its laboratory technicians and site engineers and its technology. For many years Mapei has been a supporter of the non-profit **Fondazione Arché Onlus** organisation and, in 2019, took an active part in work to redevelop the **Corte di Quarto** shelter.



City: development and upgrading of the territory

Mapei is constantly involved in promoting initiatives aimed at **developing cities**.

In 2019, Mapei participated in the G124 programme for the urban redevelopment of city suburbs, financed by the architect and life senator, Renzo Piano. Within the scope of this initiative, Mapei took part in the "M.A.MA" (Modulo per l'Affettività e la Maternità, or Affection and Maternity Module) project in the women's section of Rebibbia Prison in Rome, a space where detainees from the Women's Section and their families can meet.







This summary of the 2019 Sustainability Report has been printed on Crush Corn recycled paper by Favini, from an idea on how to make creative use of a by-product from the agri-industrial processing of corn.

Favini takes the residues of corn cobs and uses them as raw material to produce high quality, eco-friendly paper, in line with the principles of a circular economy.

Mapei SpA Head Office

Via Cafiero 22 20158 Milan Tel. +39 02 37673.1 mapei.it mapei@mapei.it

