

Human Rights and Social Policy

June 24 2021

Scope and Objective

The Holcim Human Rights and Social Policy (the “Policy”) applies to Holcim Ltd. and its affiliates in our consolidated and managed countries (“Holcim”), and sets out how our employees should interact with business partners, suppliers, communities and other stakeholders. We also expect suppliers to adhere to this Policy (amongst other requirements). The Policy forms part of Holcim’s core values and its main objective is to set out the company’s human rights and social commitment. Social initiatives complement Holcim’s human rights commitment, and are not seen as an alternative to our work on respecting human rights. This Policy is publicly available and subject to regular review.

Our Commitments to Human Rights

Holcim is committed to respecting and promoting human and labour rights in our operations, business activities, business relationships and in the communities where we work. Respect for human rights is fundamental to the way we carry out business and our ability to operate.

Our commitment is aligned with the principles and values contained in the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, with the internationally recognized rights in the International Bill of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the UN Convention on the Rights of the Child, as well as applicable laws. Where national law and international human rights standards differ, we will seek to follow the higher standard where possible. We work with a number of international organisations, such as the UN Global Compact, to strengthen respect for human rights.

The policy was developed following an extensive, global survey and interviews of Holcim managers and with input from external human rights experts and other stakeholders, including civil society and community representatives.

The Chief Executive Officer and the Chief Sustainability and Innovation Officer (member of the executive committee) of Holcim have overall responsibility for the policy; oversight and performance reviews are carried out by the Board’s Health, Safety and Sustainability committee; chief executive officers and executive committees in countries where we operate take responsibility and are accountable for assessing and addressing local human rights issues.

We clearly and actively communicate our human rights expectations of employees and business partners in key documents such as the [Code of Business Conduct](#) and [Code of Business Conduct](#)

[for Suppliers](#). Other relevant policies are listed in the [Human Rights Directive](#). All persons, including suppliers and business partners, are required to act consistently with our Code of Business Conduct when acting on our behalf or in our name. We are committed to ongoing stakeholder engagement and carrying out due diligence in an effort to understand, identify and assess potential or actual risks to people that we cause or contribute to in our own operations, our supply chains and in the communities where we operate.

Our due diligence approach is based on thorough assessments which are carried out at country and site levels, as well as risk-based due diligence in our supply chain. We carry out human rights assessments on a three-year cycle, and more frequently in countries and sites designated high-risk or where we see a need for urgent review. Our approach is outlined in our [Human Rights Directive](#) and supported by practical internal guidance, processes, platforms and templates, as well as by our [Minimum Control Standards](#), compliance with which is regularly assessed by our Internal Control department in each country and subject to audit by our Group Internal Audit department. We integrate the results of our due diligence into our internal systems and enterprise risk management (ERM) processes, develop action plans and track progress. We communicate and work with our stakeholders on how to address impacts and seek solutions to the issues raised.

We have identified seven salient human rights risks to people from our business activities which we may cause or contribute to, and which we seek proactively to identify, cease, prevent or mitigate.

They are:

- health and safety;
- working conditions in our operations and particularly our supply chain;
- discrimination and harassment;
- security-related abuses and violations;
- child labour in high-risk supply chains;
- dust and other emissions;
- and climate change and its impacts.

These are our main areas of focus. We continue proactively to assess and address other potential or actual risks to people caused or contributed to by our business operations. These are outlined in our [Human Rights Directive](#).

We recognise the need to engage actively and cooperate in addressing and, where appropriate, remediating adverse impacts which we have caused or contributed to through our own activities. We take appropriate steps to prevent their recurrence, improve future practices and take account of other remediation measures as outlined in the UN Guiding Principles on Business and Human Rights. We also strive to exercise our leverage to address such issues through our business relationships. In addition, we are committed to collaborate actively in initiatives that provide access to remedy, such as OECD National Contact Points and similar mechanisms. We address complaints and grievances received through our global [Integrity Line](#), as well as a number of site and community-level grievance mechanisms.

Our human rights work is ongoing; we see implementation of the policy as key. Our commitment is being supported by increasing human rights training with internal and external experts. We are seeking to build a culture of respect for human rights in our operations, our supply chain and among our business partners wherever we operate. We also see a culture of respecting human rights as

going beyond risk management to include opportunities to promote the realisation of rights of people in the communities where we work in different parts of the world.

Our Social Commitment

Going beyond our human rights commitment, we strive to be a trusted corporate citizen and to contribute to the social and economic development of the communities in which we operate. We seek to be an integral part of communities by providing access to work, training and skills, and by sourcing locally wherever practicable. We assess local needs and partner with stakeholders around our operations to contribute to educational, cultural, social and economic development. The initiatives are designed to improve the livelihoods of the most vulnerable and address root causes of societal challenges, such as poverty, lack of decent shelter and access to health care and education in the communities where we operate, and they form part of our contribution to the Sustainable Development Goals. We encourage and support employees' engagement in volunteering and community work.

Our social initiatives focus on three main areas to benefit communities:

- Affordable housing and infrastructure;
- Education and skills;
- and health.

Our social commitment is complemented by a [Strategic Social Investment, Sponsorship and Donation Directive](#), which details the requirements of specific initiatives, monitors their progress and measures their impact.

Respect for human rights is a core value for our company; our social initiatives ensure we also have a positive impact on communities in the areas where we operate. We are committed to creating positive social impact through and beyond our business, for employees, partners and communities.

Document Control			
Approved by	Responsible Group Executive Committee Members: Jan Jenisch, Chief Executive Officer Magali Anderson, Chief Sustainability and Innovation Officer		
Related Policy, Directives and MCS	Human Rights Directive Strategic Social Investment, Sponsorship and Donation Directive MCS 62, Social impact: Human Rights & Stakeholders		
Version Control			
Version Number	Date Issued	Author	Update information
Version 1, Corporate Citizenship Policy	October 20, 2016	Bernard Matthieu	First publication
Version 2, Human Rights and Social Policy	June 24, 2021	Sabine Loetscher, Renata Cunha	Renamed, Full revision strengthening our commitment to human rights; identification of salient risks; new focus areas for social initiatives.