

HOLCIM - GROUP DIVERSITY & INCLUSION STANDARD

JUNE 2023

1. Purpose, ambition and scope

The purpose of this Standard is to set out Holcim's expectations around the practices and behaviors required for a diverse, equitable and inclusive workplace. Holcim is an equal opportunity employer making no distinctions on the grounds of ethnic backgrounds, cultures, religions, ages, disabilities, medical conditions, races, sexual identities, gender, world views, affiliation to political organizations, unions, minority groups, gender, sexual orientation, race, religion or wherever local legislation permits.

Our commitment to Diversity, Equity & Inclusion (in short referred to as **Diversity & Inclusion** and abbreviated to **D&I**) is part of our strategic direction as a company focused on sustainability and innovation, making our contribution to building a world that works for all. It is aligned with our global Code of Business Conduct, as well as our Environment, Social and Governance (ESG) framework, HR strategy, Group Human Resources Policy and other policies (see section 4).

Why Diversity, Equity and Inclusion are important

Diversity, Equity & Inclusion are imperative for the long-term sustainable success of our business. It is the right thing to do and enables us to:

- Deliver strong performance and growth by being able to attract, develop and retain diverse talent
- Support our people to reach their full potential by providing a workplace where people are comfortable to be themselves and feel supported to perform at their best
- Innovate to achieve the best solutions and ideas by enabling us to tap into the diverse perspectives, experiences and knowledge of our workforce and wider stakeholders
- Protect and enhance our "license to operate" by recognizing, respecting and taking into account the needs and interests of our different stakeholders
- Work collaboratively in overcoming structural and cultural barriers
- Adapt and respond more effectively to changing societal expectations and the market more broadly
- Ensure we respect human rights.

Our ambition for diversity and inclusion

We target to make measurable progress towards a more inclusive and diverse workplace, and comply with international, national and local regulatory requirements in reporting our performance and progress. As a signatory of the UN Women's Empowerment Principles we are committed to advancing gender equality in the workplace, marketplace and communities in which we operate.

Where local legislation allows, individual group businesses are expected to set objectives that are relevant to their particular operating contexts, as well as to implement plans to increase diversity, equity and inclusion in their local context.

We rigorously develop systems and processes that are free from bias, enable flexibility and are designed to attract, retain and reward diverse talent and inclusive leaders. Wherever we operate, we are committed to developing and supporting productive, mutually beneficial and long-term relationships with local communities, suppliers and partners.

Where the requirements of local legislation are more stringent than those specified in this Standard, then the local legislation takes priority.

Scope

Our commitment to Diversity, Equity & Inclusion is everybody's business. At Holcim we value diversity as a strength and actively invite different perspectives. We look to recruit, promote, retain and engage a diverse workforce and expect our employees to act according to our Code of Business Conduct, with inclusion, equity, human rights and respect at our core.

By doing this, we seek to:

- Ensure our practices are transparent, inclusive, fair and free from bias wherever possible
- Facilitate that our people feel they can belong, achieve their full potential and have equal opportunity to participate, learn and grow in our organization
- Provide an environment where people are encouraged to and feel safe to speak up when they think things are not right or others are excluded
- Enforce our zero tolerance for discrimination and harassment
 - Develop strong and sustainable relationships with diverse stakeholders, including; shareholders, communities, employees, governments, customers and suppliers.

Our D&I journey is an ongoing drive to further evolve as an organisation to ensure a sustainable future for the organization and ensure a workplace where all employees can thrive.

2. Our approach to Diversity & Inclusion

We use our global D&I framework as a foundation to shape local D&I agendas to ensure a workplace where people feel they can thrive and belong. The focus area of **gender diversity**, identified at group level, is supplemented in each country with the relevant diversity, equity and inclusion focus areas and priorities in line with their local situation.

Employment-related decisions shall be based on relevant and objective criteria. These decisions include, but are not limited to: hiring, promotion, exiting and relocation of employees, training and skills development, health and safety, any policy related to working conditions like working hours and remuneration.

2.1 Attract talent: building a diverse workforce

Countries address their local D&I hiring plans and creation of a talent pipeline, including topics such as:

- Active external communication and employer branding to attract diverse candidate

pools across all business segments and function areas

- Recruitment strategy to increase diversity of talent in the candidate pools
- Balanced representation in screening and selection
- Addressing early talent pipeline through education programs and internships.

At group level, an employer branding strategy and toolkit is made available, which can be adapted for local use and our country's operating companies are expected to apply in their local markets. The Employee Value Proposition (EVP) specifically addresses a broader and diverse audience through messages and visuals, consistent with our group Sustainability and Communications strategy, to support reaching new talent pools through digital and social media activities. Based on the countries' environment and context these are adapted or supplemented with local additions.

2.2 Retain and develop: creating conditions for an inclusive workplace

In order to retain the diverse talent in our organization, it is vital to foster an inclusive culture and work environment with relevant policies and programs that provide support and give opportunity to all employees to help them feel they belong and can thrive in the organization.

Policies, pay and benefits

Our operating companies determine the relevant policies within their local context to support our drive to increase diversity, equity and inclusion. Specific initiatives and programs established shall address the following topics as a minimum:

- Maternity Leave (depending on the country context this could be also broader parental leave)
- Pay equity assessment
- Flexible working practices and provision of local facilities - for example support around "moments that matter" as a key aspect for retention within the company, as well as suitable personal protective equipment (PPE).

Across the Holcim group, a **minimum standard of 12 weeks paid maternity leave applies**. Where 12 weeks is the total duration covered by the operating company, the leave will be ensured to be the equivalent of full regular pay. In case the statutory maternity leave duration provided in a country is more than 12 weeks, the local government regulations guide the level of pay during this leave period.

In the event that the local legislation standards are more beneficial, then local legislative standards will apply.

Development and career progression

Ensuring access to development opportunities is key to establishing a strong talent pipeline and preparing for career progression.

For all development programs that are offered at group level, conscious effort is placed to provide balanced opportunities for nomination and participation for all regardless of age, gender, race, national, indigenous or ethnic origin, language, religion, political or other beliefs, sexual orientation or physical ability.

Additionally, all local operating companies shall ensure to have an active diversity, equity and inclusion focus in:

- Learning & Development and other opportunities to support career advancement
- Talent identification and succession planning
- Networking and resource groups.

Engagement and culture

Involving senior management as role models for the standards of the company on D&I is the foundation to achieving an inclusive culture. Additionally, engaging and mobilizing the broader workforce is vital for ongoing and sustainable change. Local operating companies should offer programs such as:

- Education and awareness of inclusive culture as well as impediments to inclusivity (i.e. unconscious bias training)
- Support for diverse groups in local community settings
- Reinforcing a safe work environment free of discrimination and harassment
- Promotion of belonging, equality and inclusion in communication and engaging employee resource/affinity groups to progress the D&I agenda.

Additionally, regular communication to raise and maintain awareness on D&I through updates on programs, progress on our balance in representation and expectations is a key element to keep focus and momentum for change.

3. Program management and reporting

The operating companies of the Holcim group develop and manage a D&I plan at the country level consistent with the requirements of this Standard for all operations and corporate functions. This includes ensuring their specific programs comply with local legislation and any other standards applicable within the group, regulations or other requirements to which the country has committed.

The country Diversity, Equity & Inclusion plans of the local operating companies should be informed by regular analysis of historical and current data, as well as future needs. Country teams gather the relevant data internally and externally, and any other information that can provide insights to focus areas to address in the D&I plan.

Reporting

Our D&I metrics and targets are disclosed in the Holcim annual report, which includes the proportion of women on the Board, Executive Committee, Senior Management and total workforce.

Individual group businesses are expected to set measurable objectives that are relevant to their particular operating contexts, as well as to implement plans to increase diversity, equity and inclusion in their local context.

At group level key indicators are monitored in the HR Dashboard, and countries regularly review the leading and lagging indicators for progress on our D&I ambitions.

4. Related documents

Holcim has in place a number of key policies and requirements which refer to diversity, equity and inclusion or related aspects, and set out the expected performance of our own employees as well as our suppliers and business partners. Key company policies and requirements:

- Code of Business Conduct
- Group Human Resources Policy
- Human Rights and Social Policy
- Human Rights Directive
- Code of Business Conduct for Suppliers
- Health & Safety Policy and related standards.

These documents can be found on the [policy landscape](#) (internal Holcim portal) and [ESG pages](#) (external Holcim website).

5. Document control

Latest Revision / Date	
Version 1 / Dec 2021 Version 2 / June 2023	First publication. Second publication.