

# Directive

## Security Services with Integrity (SSI)

September 14 2023

### Overarching principles

Holcim is committed to the protection of its People, Environment, Assets, Reputation, and Legal Exposure (PEARL<sup>1</sup>) through a risk-based approach, with the security of People taking priority over all other activities.

The Holcim Security Services with Integrity Directive (“SSI Directive”) applies to all companies controlled by Holcim, their projects throughout the entire lifecycle, and their employees, business travelers, and third-party service providers / contractors. Holcim applies good faith efforts to implement the standards contained in the SSI Directive at companies it invests in but does not control.

Holcim follows and promotes applicable human rights (HRts) standards, regulations and legislation.<sup>2</sup> Where the requirements of local legislation differ from Holcim governance<sup>3</sup> Holcim will seek to follow the higher standard where possible.

Security Services<sup>4</sup> (private security providers (PSPs), public security forces (PSFs)) are relied on only as a last resort and must be selected / managed in a structured manner with professionalism and integrity. In principle we do not engage armed non-state actors (NSAs).<sup>5</sup>

Any engagement of security services must systematically identify, assess, prevent, and mitigate associated human rights risks to all internal / external stakeholders.

When engaging security services, each Holcim Country CEO (CCEO)<sup>6</sup> is accountable for adhering to the following Holcim overarching principles:

- Respect for human rights
- Lethal weapons / firearms-free environment<sup>7</sup>
- Assessment of risks<sup>8</sup> and cross-functional risk mitigation
- Cross-functional and community-based security management
- Avoidance of the use of force
- Use of proportional force to risk level faced
- Adequate working and living conditions for PSP and for PSF actively engaged by Holcim
- Alignment with Procurement and Compliance processes<sup>9</sup>
- Collection and verification of any security related human rights allegations
- Reporting and investigation of all verified abuses/violations and provision of adequate remedy
- Continuous improvement.

<sup>1</sup> Please refer to the Holcim Security & Resilience Policy for more details.

<sup>2</sup> Such as the International Code of Conduct for Private Security Service Providers, the Voluntary Principles on Security and Human Rights, or any other recognized international best practices on Security and Human Rights (e.g., the DCAF/ICRC Toolkit).

<sup>3</sup> In particular, refer to the *Human Rights and Social Policy* - salient human rights risk “Security-related abuses and violations”.

<sup>4</sup> Refer to the Group Security & Resilience (GS&R) online glossary for definitions of the terms used in this Directive like PEARL, People, Security Services, PSP, PSF, NSA, armed NSA, security guard, lethal weapons, major site, etc.

<sup>5</sup> Refer to the section “Presence of armed NSAs”

<sup>6</sup> Or, when there is no CCEO appointed, the most senior member of the local entity(ies).

<sup>7</sup> Exceptions must be requested using the Group-approved *Lethal Weapons/Firearms Waiver Request Form*.

<sup>8</sup> *Country Threat Assessments*, *Country* and possibly *Site Security Risk Assessments* (SRA), and the *SSI Sub-Risk Assessment* (3-year validity) using the SRA Tool.

<sup>9</sup> Including compliance with the *Holcim Code of Business Conduct*, *Holcim Code of Business Conduct for Suppliers*, the *Sustainable Procurement Directive and Management Standard*, the *Compliance Policy*, the *Third-Party Due Diligence (TPDD) Directive* and the *TPDD Tool* (to be used following the *Guidelines for screening security Third Parties* from GS&R).

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### All engagement must follow these approval levels, in the order listed below:

- For PSP engagement, without lethal weapons<sup>10</sup>: by the CCEO and Group Security & Resilience (GS&R).
- For PSP engagement with lethal weapons and/or for active PSF engagement<sup>11</sup>, requiring a *Lethal Weapons/Firearms Waiver Request Form*<sup>12</sup>: by GS&R, CCEO, Region General Counsel, and Region Head.
- For armed NSA engagement<sup>13</sup>: by GS&R, CCEO, Region General Counsel, Head of Compliance, Group General Counsel and Region Head, using the *Lethal Weapons/Firearms Waiver Request Form* 'Specific' type.
- In case of unforeseen circumstances requiring the urgent and imminent presence of lethal weapons, approval may be granted outside the *Waiver* process. Such derogation shall be granted for a specific short duration of maximum one month via email by Country General Counsel, CCEO, GS&R, Region General Counsel, and Region Head. Should the deployment need to be prolonged beyond the approved duration, the *Lethal Weapons/Firearms Waiver Request Form* would be required.

### Lethal weapons & firearms management

- For any presence of lethal weapons / firearms as a consequence of armed PSP and/or PSF engagement on site, use the *Lethal Weapons/Firearms Waiver Request Form*.
- For any other presence of lethal weapons / firearms (whether Holcim- or privately-owned), including hunting weapons, as well as the contracting of armed Quick Reaction Forces<sup>14</sup>, use the *Lethal Weapons/Firearms Waiver Request Form* 'Specific' type.
- All lethal weapons / firearms must be managed in accordance with the *SSI Handbook* and the *Weapons & Ammunition Management Standard Operating Procedure (SOP)*, both available on the Security Network Drive.

### The SSI Program applies to Countries (i.e., considered to be 'in-scope'<sup>15</sup>) when:

- Security guards are directly employed by Holcim, and/or
- PSPs are contracted by Holcim, and/or
- PSFs are actively engaged/deployed by Holcim, and/or
- Armed NSAs are controlling areas in which Holcim operates.

## Implementation

### Engaging with any Security Services (PSP, PSF)

- Avoid engagement when there is no security risk, relying on Security Services only as a last resort.
- Strictly follow the *SSI Quick Checklist* and the *SSI Handbook*, using the *Decision-Making Tool* to decide on whether you need Security Services and, if yes, of which type.
- For in-scope countries, use the SSI e-Learning and other GS&R training material available to establish, roll out, and measure the implementation of a training program<sup>16</sup> for:
  - Security Services personnel (Staff, PSP, PSF),
  - Staff managing the engagement of Security Services,
  - Country ExCo members, Country functions representatives and major sites' managers.

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<sup>10</sup> As defined in the *SSI Handbook*.

<sup>11</sup> Active engagement means PSF have a relationship with Holcim beyond short-lived interventions following a specific incident (e.g. emergency response or legal investigation). This includes activities like extended deployment on site, provision of support, transport partnerships, protection of explosives during transport, blasting, or static protection of storage, etc. Distinguish between public forces being actively engaged/deployed to protect Holcim people and assets and public forces reacting to security incidents on Holcim sites.

<sup>12</sup> In accordance with the *S&R Policy* and underpinned by the *SSI Handbook*, a formal lethal weapons waiver is requested by the CCEO following the procedure outlined in the *Lethal Weapons/Firearms Waiver Request Form* and approved by the Region General Counsel and finally the Region Head in consultation with GS&R (one year validity).

<sup>13</sup> See the specific section: [We do not engage armed NSAs](#).

<sup>14</sup> Refer to the specific section in the *SSI Handbook*.

<sup>15</sup> Should the country have assessed the inherent risk of force abuse (SRm 7.01, 7.02) as high or very high, it is in scope for the Group Level Material Risk (GLMR) "Force abuse" and de facto also in scope for the SSI program. Additional controls for those countries are required and detailed in the GLMR resources.

<sup>16</sup> The frequency of trainings is detailed in the *SSI Handbook*.

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- For in-scope countries, in cooperation with SD and any other relevant function, perform an SSI Sub-Risk Assessment in the *SRA tool*<sup>17</sup>.
- Always promote expectations for respecting HRts.

## Engaging with Private Security Providers (PSPs)

- Engage PSP to provide preventative and defensive services only, as a primary option preferred to PSF.
- Select and contract PSP in accordance with Procurement and Compliance processes. Require contracts to be reviewed by the Country General Counsel and to include a specific termination clause for non-compliance with the *International Code of Conduct for Private Security Service Providers (ICoC)*<sup>18</sup> or in case of confirmed human rights abuse.
- Manage PSP and evaluate their performance against the ICoC, including internal HRts training, use of force and use of a grievance mechanism.

## Engaging with Public Security Forces (PSFs)

- In liaison with GS&R, consider engaging PSF as a secondary option (where allowed or mandated by law) after PSP engagement fails to adequately address security risks.
- Select PSF with set expectations for the respect of HRts. The Country must sign a Memorandum of Understanding (MoU)<sup>19</sup> jointly with PSF actively engaged to guide the provision of security for Holcim operations and reaffirm respect for the *Voluntary Principles on Security and HRts (VPSHR)*.<sup>20</sup>
- In case of any need to support PSF, consult the Legal & Compliance function and require a specific signed MoU, verifying that the provided support is time limited, reversible, and nearly impossible to be used to directly violate HRts.
- Final versions of the MoU(s) must be approved by the Country and Region GCs before signature by both Country and Public Forces (refer to the *SSI Handbook*).
- Manage PSF and evaluate their performance via regular consultative meetings with an identified and documented point of contact while monitoring PSF alignment with the VPSHR, including internal HRts training and use of a grievance mechanism.

## Presence of armed Non-State Actors (NSAs)

- We do not engage armed non-state actors.
- In the unlikely event of the need for any deviation from this rule, when Armed NSAs control areas in which Holcim operates, obtain the relevant time-bound formal exception approval by GS&R, CCEO, Region General Counsel, Head of Compliance, Group General Counsel and Region Head, using the *Lethal Weapons/Firearms Waiver Request Form* 'Specific' type.

## Reporting

- Countries must formally report via email within 24 hours any of the following situations to the Region Head, GS&R, and other relevant functions:
  - Presence of armed NSAs / Terror and Organized Crime<sup>21</sup> within Holcim operating areas,
  - Use of force on Holcim premises and/or allegations of HRts abuses / violations committed by Security Services.

<sup>17</sup> At a minimum, update this SSI Sub-RA every three years or whenever required as per the *SSI Handbook*.

<sup>18</sup> ICoC or other international best practice standard if any / already compliant with. Verify the contract using the *Contractual leverage guidance* from Legal & GS&R.

<sup>19</sup> Refer to the Human Rights related indices - Business Environment Risk Level outlined in the *Human Rights Directive*: the MoU is mandatory in high- and medium-risk countries, recommended in low-risk countries.

<sup>20</sup> If the signature is impossible, follow the *SSI Handbook* and design a documented action plan with the ultimate aim of obtaining an MoU signature.

<sup>21</sup> Refer to the *Terrorist & Organized Crime Monitoring Program Directive*.

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- Countries must formally report via email within 48 hours any of the following situations to the Region Head, GS&R, and other relevant functions:
  - Significant changes<sup>22</sup> in a country’s security context or the impact of security arrangements on people,
  - Significant changes in the deployment, activities or available equipment of PSPs and PSFs likely to change the risk profile of the relationship,
  - PSF misuse of provided equipment in violation of an MoU or use of Holcim equipment without consent.
- Countries must report incidents in the Security Incident Notification Tool (SINT) within a week.

## Cross-Functional Response

- Collect, verify, and investigate all allegations of HRts abuses / violations by Security Services and armed NSAs as per the *Human Rights and Social Policy* and the *Human Rights Directive*.
- Countries must share any allegation of a breach of the *Holcim Code of Business Conduct* immediately to Group Investigations via the *Integrity Line*, who will then supervise any investigation and follow-up actions.
- Countries must formally share substantiated allegations not involving a breach of the Code of Business Conduct via email (within a maximum of three months following all investigation of allegations) to Legal & Compliance, SD/HRts, GS&R, security service points of contact, and relevant authorities.
- Implement remedial action plans and ensure access to remedies for victims.

Document Control			
Approved by	Group Head of Legal and Compliance		
Related Policy, Directives and MCS	Holcim Code of Business Conduct Holcim Code of Business Conduct for Suppliers Human Rights and Social Policy Human Rights Directive Compliance Policy Sustainable Procurement Directive Human Resources Policy Security & Resilience Policy Terrorist & Organized Crime Monitoring Program Directive Third Party Due Diligence Directive  Minimum Control Standard #01 - Communication and promotion of the Code of Business Conduct, Minimum Control Standard #07 - Mitigation of business risks – Security, Minimum Control Standard #09 - Mitigation of business risks – Business Resilience System, Minimum Control Standard #30 - Supplier qualification		
Security & Resilience governance and supplementary tactical documents	Security & Resilience Management System Security Services with Integrity Quick Checklist Security Services with Integrity Handbook HSE-006 Welfare and House Keeping standard GLMR Human rights & force abuse Fiche and SOPs Weapons & Ammunition Management SOP Contractual leverage guidance Holcim Third Party Due Diligence Directive Tool Fiches ITP 1/2/3/4 Third Party evaluation Scoring Criteria tool Security Company Contract Award Handbook Supplier audit protocol & checklist SSI eLearning		
Version control			
Version Number	Date Issued	Author	Update information
Initial version	December 18 2019	GS&R	
Update 1	November 27 2020	GS&R	<ul style="list-style-type: none"> <li>• Clarifying weapons free environment.</li> </ul>

<sup>22</sup> Two risk levels up in the Security risk matrix from the *SRA tool* or if deemed necessary.

## Security Services with Integrity Directive

Update 2	February 28 2022	GS&R	<ul style="list-style-type: none"> <li>● Overarching Principles reshaped and aligned with the new HRts and social policy and the new HRts directive,</li> <li>● Alignment with new or updated processes, training material and tools linked to the SSI program (e.g. ICoC and VPSHR, Lethal Weapons Waiver form, SSI sub-RA, MoU guidance, SSI eLearning...),</li> <li>● Section on armed Non-State Actors updated,</li> <li>● Training added (Engaging Security Services section),</li> <li>● Reporting and Response sections clarified.</li> </ul>
Update 3	September 14 2023	GS&R	<ul style="list-style-type: none"> <li>● Armed NSAs separated from Security Services for clarity</li> <li>● Compliance with local legislation explicitly mentioned,</li> <li>● Adequate working conditions for both private guards and public forces added as an overarching principle,</li> <li>● Update of the lethal weapons Waiver process (new specific type at country level),</li> <li>● Update of the MoU approval process (final approval by the Region GC),</li> <li>● CEO's checklist removed as transferred within the S&amp;R Governance audit and assurance protocol,</li> <li>● General alignment with updated SSI material such as Handbook, lethal weapons Waiver, weapons &amp; ammunition management SOP, guards training material, SSI eLearning.</li> </ul>