LafargeHolcim – the zero harm culture

At LafargeHolcim we strive to create a healthy and safe environment for our employees, contractors, customers, and stakeholders. Nobody should get injured while working with or for us. Our goal is zero harm to people.

As responsible citizens we are all aware of our continuing obligations towards the environment, and the need for active engagement to protect and enhance our natural resources. We commit to minimize the negative impact and maximize the positive impact to nature.

LafargeHolcim strives to be a trusted corporate citizen and to fulfil its responsibilities to the communities in which it operates.
Environment, Social and Governance activities of LafargeHolcim logistics

| Environment         | We aim to reduce traditional fuel consumption by  
|                     | 1) delivering our products to the customer on the safest, most efficient route;  
|                     | 2) using alternative transportation methods to road  
|                     | 3) using alternative fuel where the market allows it. |

| Social              | Logistics team around the world has a strict target to  
|                     | 1) ensure industry leading labour standards and drivers’ skills & behaviour  
|                     | 2) increase customer satisfaction through the delivery services  
|                     | 3) build good relationship within the communities we operate |

| Governance          | The Transportation Analytics Centers using data from In-Vehicle Monitoring System allows the LafargeHolcim and its third party transportation companies to ensure compliance, manage risk and improve the drivers’ skills and behaviour. |
Reduction of traditional fuel consumption by Network optimisation

LafargeHolcim’s tailor made network optimisation solutions allow the countries with complex logistics network of plants and warehouses to identify the shortest and most efficient paths to the customers, reducing the driven kilometres, hours, fuel consumption and increase the drivers’ safety.

Improving logistics processes such as planning and dispatching we improved our fleet utilisation, that resulted in 20% less CO$_2$ emissions in Brazil, Mexico and Argentina.

We target to reduce fuel consumption by **1-3% in 2021**, by continuously optimising our logistics networks.
Reduction of traditional fuel consumption by optimised transportation mode

We target to reduce fuel consumption by choosing more fuel efficient transportation modes, wherever available. By switching road to rail in Cameroon in 2021 we avoid 1,100 truck movements, resulting in less emissions and increased safety.

Regularly auditing the logistics networks allows us to identify the best possible transportation mode and reduce the driven kilometres on road by choosing rail or waterways transportation.

In Cameroon, by implementing an optimization model, the ideal number of distribution centers was defined and the whole network optimized identifying the best flows to supply the market.
Reduction of traditional fuel consumption by using alternative fuel

LafargeHolcim countries have initiatives to contract transportation operating with alternative fuels to move raw materials and products.

We are committed to continue this effort in all countries where the market allows.

For example, in France we target to operate 50 LNG/CNG trucks by end 2021 (YTD 26 LNG/CNG trucks in operation).

<table>
<thead>
<tr>
<th>Country</th>
<th>Fuel Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>Liquefied Natural Gas; Compressed Natural Gas</td>
</tr>
<tr>
<td>Italy</td>
<td>Liquefied Natural Gas</td>
</tr>
<tr>
<td>Switzerland</td>
<td>Electrical trucks</td>
</tr>
<tr>
<td>Belgium</td>
<td>Liquefied Natural Gas</td>
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</table>
Reduction of traditional fuel consumption by market specific initiatives

Having an agile business model that builds on local talent and strong collaboration with third-party transporters; LafargeHolcim countries reduces their fuel consumption and so CO₂ emissions through locally relevant initiatives.

Drivers trainings, including change of driving behaviour, training on various terrains and under difficult conditions, vehicles design changes, such as installing mirrors camera systems and reducing the weight of the vehicle helped to decrease fuel consumption by 16% in Germany in 2021.
Environment SOCIAL Governance
Industry leading labor standards
Drivers’ safety, resting facilities, training

For products transported by truck, the road safety of our partners is of utmost importance for LafargeHolcim. The Ambition “0” program makes road transport safety a mandatory objective in every LafargeHolcim country.

The LafargeHolcim Road Transport Safety Standards helped reduce road fatalities by 77% since 2016. Improvement in 2020 vs 2019 is 49% by defining:

- Theoretical & In-Vehicle Drivers’ training and assessment
- Driver performance monitoring through In vehicle Monitoring System (IVMS), coaching and consequence management
- Daily vehicle inspection criteria
- Drivers’ fatigue management practices
Customer satisfaction and community relations Continue to be priorities in 2021

We continue to launch mobile Apps across Africa, the Middle East, Latin America and Asia to allow our customers to manage their orders anytime, anywhere and define delivery times that cause the least disruption on the road and for the neighbouring community.

We developed and implemented industry specific digital solutions to continuously improve our customers’ experience while working with us.
Diversity is of key importance in 2021 for Logistics

In the Logistics function we aim to:

- To represent the diversity of LafargeHolcim Group.
- Address the global business risk due to shortage of skilled truck drivers.

“Women behind wheels” is a project to attract and retain women as truck drivers.

The program focuses on two approaches:

**Development:** Partnering with companies to develop women truck drivers and create sustainable job opportunities; collaborating with leading truck manufacturers to design trucks for female drivers.

**Hiring & Retention:** Identify best practices to hire and retain women truck drivers e.g. project in Uganda, Kenya, South Africa, Romania and the US.
Transport Analytical Centers
Centralized compliance control of driving monitoring

In-Vehicle Monitoring Systems capture data about trip compliance and drivers’ behaviour on the road, which is translated into valuable input for individual drivers’ training. Vendor selection, optimising logistics routes and transport modes are improving service levels. The Transport Analytical Centers located in India and Colombia are serving the global LafargeHolcim logistics and commercial networks.

Delivering on the “Zero Harm” culture by digital performance management tools - with centralized monitoring to ensure full compliance in all geographies.