

In general, our business activities are subject to the respective national laws and regulations dealing with environmental protection, product safety and social welfare matters. Over and above, it is HeidelbergCement's policy to formally request that all our suppliers respect the principles of our Supplier Code of Conduct and adopt practices that are consistent with it.

Building on our HeidelbergCement "Code of Business Conduct", our Supplier Code of Conduct seeks compliance with international social accountability standard SA 8000, environmental standard ISO 14001, the German Act on Corporate Due Diligence Obligations in Supply Chains and the core labour standards<sup>1</sup> of the International Labour Organization in our upstream supply chain.

HeidelbergCement values close and productive cooperation with its suppliers. This globally applicable Supplier Code of Conduct acts as a basis for all our contractual relationships. Therefore, all suppliers shall adhere to this Supplier Code of Conduct. Furthermore, suppliers shall take responsibility to require adherence to these principles from their direct suppliers and exercise diligence in verifying that these principles are being adhered to in their supply chains.

### Working Conditions/Labour

1. Suppliers shall not use child labour in any stage in their operations. Suppliers are obliged to follow the ILO conventions recommendation of minimum age for admission to employment and shall adhere to the ILO Worst Forms of Child Labour Convention.
2. Compensation and benefits shall comply with fundamental principles relating to minimum wages, working time, overtime hours and legally mandated benefits.
3. Any form of forced or compulsory labour as defined by the ILO Forced Labour Convention including forced overtime, debt bondage, human trafficking, slavery or forced prison labour shall not be used and employees shall be free to leave employment after reasonable notice.
4. Suppliers shall adhere to the right of employees to freedom of association and recognition of employees' rights to collective bargaining, where allowable by law.
5. Suppliers shall ensure safe and healthy working conditions that meet or exceed applicable standards for occupational health and safety. This includes, at minimum, compliance with applicable laws and regulations in the country and holding the required permits, licenses and permissions. Suppliers shall have appropriate procedures in place as well as safety infrastructure and equipment and shall continuously improve their health and safety performance.

### Environmental Standards

1. Supplier operations shall include, at minimum, compliance with all applicable laws and regulations in the country concerned and shall be carried out with due diligence and care for the environment and people. Environmental impacts regarding, but not limited to, emissions, energy, water, waste and biodiversity shall be managed systematically. Suppliers shall avoid and minimize impacts or compensate such impacts, including environmental impacts that deny a person access to food, drinking water and sanitary facilities or harm a person's health. Suppliers shall moreover have appropriate environmental procedures in place and shall continuously improve their environmental performance.
2. Suppliers shall promote safe and environmentally sound sourcing, manufacturing, transport, distribution, use and disposal of their products and services.
3. The supplier shall respect any applicable local, national and international land, water and resource rights. Unlawful forced evictions are not permitted.
4. If the supplier's operations include:
  - (a) mercury and mercury compounds, mercury-added products or mercury wastes, suppliers shall comply with the Minamata Convention on Mercury;
  - (b) chemicals and chemical wastes and stockpiles, suppliers shall comply with the Stockholm Convention on Persistent Organic Pollutants;
  - (c) hazardous and other waste shipments as defined by the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal, suppliers shall comply with Article 4 (2), (5) and (8) of this Convention.

<sup>1</sup> See [Conventions and Recommendations \(ilo.org\)](https://www.ilo.org/) for more information.

#### **Chairman of the Supervisory Board**

Fritz-Jürgen Heckmann

#### **Managing Board**

Dr. Dominik von Achten (Chairman),  
René Aldach, Kevin Gluskie, Hakan Gurdal, Ernest Jelito,  
Dr. Nicola Kimm; Dennis Lentz  
Jon Morrish, Chris Ward

#### **HeidelbergCement AG**

Corporate seat  
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HRB Nr. 330082

#### **Banking account**

Commerzbank Heidelberg  
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# HEIDELBERGCEMENT

## Business Ethics

1. Business shall be conducted with integrity. There shall be no payments, services, gifts, entertainment or other advantages offered or given to any HeidelbergCement employee or third party which are intended to influence the way in which the HeidelbergCement employee or third party goes about his or her duties. Similarly, HeidelbergCement shall not offer or give such payments, services, gifts, entertainment or other advantages to any supplier which are intended to influence the way in which the supplier goes about his or her duties.
2. In case suppliers are employing private or public security service providers, they shall be instructed and controlled properly to avoid any kind of unlawful force or repression.
3. There shall be respect for internationally recognized human rights and suppliers shall ensure that they are not complicit in any human rights violations. Harassment or discrimination against employees as defined by the ILO Violence and Harassment Convention and the ILO Discrimination Convention in any form is not acceptable regarding any employment-related treatment (including, but not limited to recruitment, promotion, layoff). This includes, but is not limited to gender, ethnic origin, skin colour, religion, sexual orientation, disability or age.

Safeguarding of these principles is a long-term learning and development process. HeidelbergCement is obliged by law to conduct regular risk assessments in different forms. In case of identified risks at a supplier, the supplier agrees that HeidelbergCement or individuals authorized by HeidelbergCement have the right to establish action plans that include distinct measures, such as but not limited to self-assessments, trainings and audits of the supplier to verify that the principles herein are being adhered to and to mitigate identified risks. HeidelbergCement will work together with its suppliers towards compliance, but also reserves the right to discontinue the relationship with a supplier if all efforts to remedy an identified non-compliance with this Supplier Code of Conduct fail.

Suppliers may submit any concerns regarding non-compliant behaviour, either to applicable laws or to internal HeidelbergCement regulations, via our compliance hotline "SpeakUp": <https://www.speakupfeedback.eu/web/heidelbergcement/>

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