

# Environmental Policy

April 2018

## Framework

The Holcim's Environmental policy is an integral part of the Holcim Policy Landscape.

The Environmental policy comprises:

- Scope
- Policy Principles

### 1. Scope

The scope of the Holcim Environmental Policy covers Holcim Ltd. and its consolidated and managed countries ("Holcim").

### 2. Policy Principles

Holcim is committed to continuously improve its environmental performance and to make a positive contribution to nature and society.

The Holcim Group is committed to conducting business consistent with sustainable development principles. This is to be achieved through a process of continuous improvement in environmental performance through the use of effective environmental management systems.

This Environmental Policy and related environmental directives support this commitment.

Each operating unit is to elaborate its own environmental policy that fully integrates the principles of this Environmental Policy.

There are four main pillars of our Environmental Policy, for which we have assigned principles to guide our progress.

#### **2.1 Management Systems**

All operations shall use an effective Environmental Management System (EMS) to manage overall environmental responsibilities and performance.

All operations shall comply with environmental laws, regulations and standards applicable to our products and operations, and subscribe to leading industry initiatives and internal requirements.

We promote our commitment through training and integration into business processes.

We assess the environmental policies and practices of our critical suppliers and sub-contractors as part of our selection process. We expect our contractors and suppliers to respect and comply with our environmental policies and procedures.

We conduct environmental due diligence in connection with acquisitions and divestments.

We encourage the development and diffusion of environmentally friendly technologies. We employ safe technologies and operating procedures to reduce exposure of our employees and our communities to environmental, health and safety risks.

We conduct an environmental and social impact study (ESIA) when selecting greenfield sites or developing major modification projects on existing sites.

We translate our commitments into actions by setting corporate objectives and targets, and monitor our progress towards these targets.

### **2.2 Compliance Risk Management and Delivering Solutions**

We assess and measure our environmental impacts, continuously improve processes, tools and capabilities and promote best practices in our industry. We encourage analysis of impacts through the life cycle of our products and solutions.

**Release of pollutants:** we develop and implement effective controls to monitor, minimize or prevent the release of pollutants to the environment (air, water, and soil) in our operations

**Climate Change:** we reduce our impact on climate change through:

- the development, manufacture or promotion of innovative and sustainable products and solutions
- optimizing the use of energy and promoting energy efficiency, energy recovery and the use of renewable energy sources
- reducing the use of non-renewable resources and, where it is safe as well as technically and economically relevant, by replacing them with substitute raw materials, alternative fuels and biomass.
- the inclusion of climate related risks in our Enterprise Risk Management process, including Transition risks: Policy and regulatory, technology, market and reputational risk; and Physical risks

**Water:** we minimize our impact on water resources by limiting water withdrawal through the use of recycling, the promotion of water efficient practices and a responsible management of water discharges.

**Quarries rehabilitation/restoration/reclamation:** we develop a rehabilitation / restoration / reclamation plan for all pit and quarry sites that takes into account the needs and expectations of our stakeholders and, where feasible and relevant, fosters wildlife habitat creation and contributes to the conservation of species.

**Biodiversity:** we implement biodiversity management plans for all extraction sites and work to protect important areas or habitats and facilitate the conservation of historic remains discovered during site development and quarry operations.

**Local impacts:** we assess, and appropriately mitigate, our impacts on surrounding communities in regards to fugitive dust, noise, vibrations, and traffic.

### **2.3 Compliance within the "Three Lines of Defense"**

We reuse, recover and/or recycle waste materials in own production processes where feasible, minimize the generation of any hazardous and other waste, and dispose of waste using safe and responsible methods.

### **2.4 Stakeholder Relations, monitoring and reporting**

We are open, honest, and accountable to our stakeholders. We report publicly on compliance, performance and progress and inform our stakeholders routinely about our operations and products, soliciting their feedback and encouraging a candid dialogue. We cooperate pro-actively with legislators and regulators to evaluate the feasibility, impact, and cost/benefit of proposed laws, regulations and standards.