

**Corporate Human Rights Benchmark
2023 Company Scorecard**

Company name Heidelberg Materials
Sector Extractives
Overall score 21.5 out of 100

Theme score	Out of	For theme
1.9	10	A. Governance and Policy Commitments
5.6	25	B. Embedding Respect and Human Rights Due Diligence
5.5	20	C. Remedies and Grievance Mechanisms
4.2	25	D. Performance: Company Human Rights Practices
4.3	20	E. Performance: Responses to Serious Allegations

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2022 Methodology document for the sector concerned. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policy Commitments (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Universal Declaration of Human rights (UDHR): The Human Rights Position states that 'we are committed to the principles of the following internationally recognized standards: The Universal Declaration of Human Rights [...]' [Human Rights Position, 04/2020: heidelbergmaterials.com] Score 2 <ul style="list-style-type: none"> Met: Commitment to UNGPs: The Human Rights Position states that 'we are committed to the principles of the following internationally recognized standards: [...] The United Nations Guiding Principles for Business and Human Rights' [Human Rights Position, 04/2020: heidelbergmaterials.com]
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Commitment to ILO core principles: The HR Position states that 'we are committed to the principles of the following internationally recognized standards: [...] The eight core labour standards of the International Labour Organization (ILO)' [Human Rights Position, 04/2020: heidelbergmaterials.com] Met: Explicitly lists all four ILO core principles: It also states that 'Compliance with the ILO core labour standards is compulsory for us worldwide. This includes prevention of child and forced labour, compliance with the principle of non-discrimination in the workplace, the right of freedom of association as well as collective bargaining. This will also apply to the extent that applicable law does not prohibit application of the ILO core labour standards. Should this be the case, we

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			<p>will make every effort to observe the underlying principles reliably and adequately'. [Human Rights Position, 04/2020: heidelbergmaterials.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Expects BPs/JVs to commit to ILO core principles: See below [Supplier code of conduct, 01/2022: heidelbergmaterials.com] • Not Met: Explicitly lists all four ILO core principles for BPs/JVs: The supplier code states that 'suppliers shall not use child labour in any stage in their operations [...] Any form of forced or compulsory labour as defined by the ILO Forced Labour Convention [...] shall not be used [...] suppliers shall adhere to the right of employees to freedom of association and recognition of employees' rights to collective bargaining, where allowable by law'. It also states that '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)'. However, it is not clear whether the Company requires to respect those rights in all contexts, as it indicates 'where allowable by law'. In these cases (companies referring to local laws in freedom of association and collective bargaining), companies are expected to require alternative mechanisms or equivalent workers bodies where the right to freedom of association and collective bargaining is restricted under law. Although the supplier code does not specify extractive business partners, it states that it 'acts as a basis for all our contractual relationships'. [Supplier code of conduct, 01/2022: heidelbergmaterials.com]
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to respect H&S of workers: The Company's health & safety policy states that 'occupational health & safety is a core value of our company and integral part of all our business activities [...] in order to continually improve our performance we manage health & safety through appropriate management systems. The key elements are: [...] providing health and safety workplaces, safe equipment and safe work procedures and practices based on the results of regularly reviewed risk assessments'. [Occupational Health & Safety Policy, 01/03/2015: heidelbergmaterials.com] • Not Met: Commitment to ILO working hours standards or 48 hour regular work week <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expects BPs/JVs to commit to H&S of workers: The supplier code (operates in all contractual relationships) states that '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 [...]. Suppliers shall have appropriate procedures in place as well as safety infrastructure and equipment and shall continuously improve their health and safety performance'. [Supplier code of conduct, 01/2022: heidelbergmaterials.com] • Not Met: Expects BPs/JVs to commit to ILO working hours standards or 48 hour regular work week
A.1.3.a.EX	Commitment to respect human rights particularly relevant to the sector – land, natural resources and indigenous peoples' rights (EX)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment to respect land ownership/natural resources as in VGGT: Although the Company has a 'land use policy', no evidence found in a policy document of commitments to respect land ownership and natural resources as set out in the Voluntary Guidelines on the Responsible Governance of Tenure. • Not Met: Commitment to respect land ownership/natural resources as in IFC Performance Standards • Met: Commitment to respect indigenous rights or ILO No.169 or UN Declaration: The Human Rights position states that 'we respect the rights of indigenous communities as far as they are affected by our business activity'. [Human Rights Position, 04/2020: heidelbergmaterials.com] • Not Met: Expects EX BPs to make these commitments: The supplier code of conduct states that 'the supplier shall respect any applicable local, national, and international land, water and resource rights. Unlawful forced evictions are not permitted'. No further details found, including also commitment in relation to indigenous rights. [Supplier code of conduct, 01/2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to obtain FPIC or zero tolerance to land grabbing • Met: Commitment to respect the right to water: The Company's water policy states that 'Access to clean water is a human right in accordance with the UN Sustainable Development Goals [...] We furthermore acknowledge the access to

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>clean water and sanitation as a human right and support the implementation of the UN SDGs and the Access to Safe Water, Sanitation, and Hygiene at the Workplace Pledge (WASH Pledge) of the World Business Council for Sustainable Development (WBCSD)'. [Water policy, 02/2022: heidelbergmaterials.com]</p> <ul style="list-style-type: none"> • Not Met: Expects EX BPs to make these commitments: The Water policy states that 'our suppliers are obliged to fulfil the environmental standards of our Supplier code of conduct, including water management and conservation'. The supplier code states that 'the supplier shall respect any applicable local, national and international land, water and resource rights'. it also states that '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'. No evidence found, however, in relation to the obtention of FPIC or zero tolerance for land grabbing (it refers to unlawful forced evictions). [Water policy, 02/2022: heidelbergmaterials.com] & [Supplier code of conduct, 01/2022: heidelbergmaterials.com]
A.1.3.b.EX	Commitment to respect human rights particularly relevant to the sector – security (EX)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment to Voluntary Principles on Security and HRs • Not Met: Uses only ICoCA members as security providers • Not Met: Commits to International Humanitarian Law <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Expects EX BPs to commit to these rights: The supplier code states that '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'. However, no evidence found of a requirement to commit to the Voluntary Principles or contracting only ICoCA members, and a commitment to International Humanitarian Law.
A.1.4	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment to remedy adverse HRs impacts: Although the Human Rights position states that the Company is committed to follow 'the United Nations Guiding Principles for Business and Human Rights ("Protect, Respect and Remedy" - Framework), no explicit commitment was found to remedy any adverse impacts that it has caused or contributed to. The Code of conduct states that 'we expect each of us to report breaches of this Code in order to promptly remedy the violation or minimise negative consequences'. However, this seems to apply to the specific reporting breaches process. This subindicator looks for a general commitment to remedy any adverse impacts caused (affecting any individual, worker or community). [Human Rights Position, 04/2020: heidelbergmaterials.com] • Not Met: Expects EX BPs to make this commitments: Although the supplier codes states that the Company 'reserves the right to discontinue the relationship with a supplier if all efforts to remedy an identified non-compliance' fails, no evidence of a general requirement to remedy any adverse impact caused or contributed to. [Supplier code of conduct, 01/2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to collaborate with judicial or non-judicial mechanisms • Not Met: Commitment to work with EX BPs on remedy: Although the supplier code states that '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' fails, this seems to be focusing in breaches of the code rather than a general approach to mitigate any adverse impact. [Supplier code of conduct, 01/2022: heidelbergmaterials.com]
A.1.5	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Zero tolerance of threats/attacks on HRDs • Not Met: Expects BPs to make this commitment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to working with HRDs to create safe and enabling environment

A.2 Board Level Accountability (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board level responsibility for HRs: The 2021 Annual Report indicates: ‘The compliance programme, which is firmly anchored in the Group-wide management and supervisory structures, is part of our management culture. It comprises the entire compliance organisation within the Group, the set-up of guidelines, and the verification of compliance with these guidelines. The compliance management addresses all compliance topics that HeidelbergCement has identified as relevant in the compliance risk assessment. These include, in particular, anti-corruption, competition law, and human rights. The compliance organisation is under the authority of the Chairman of the Managing Board, to whom the Director Group Legal & Compliance reports directly’. However, although the Company indicates that the compliance programme is also anchored in the supervisory structure, no evidence found of a Board member or Board Committee specifically tasked with specific governance oversight of respect for human rights. [2021 Annual Report, 2022: heidelbergmaterials.com] • Not Met: Describes HRs expertise of Board member Score 2 <ul style="list-style-type: none"> • Not Met: Board member/CEO signal importance of HRs in their communications
A.2.2	Board responsibility	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Process to review HRs strategy at board level • Not Met: Example of HRs issues/trends discussed in last reporting period Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Describes how affected stakeholders / HRs experts inform board discussions
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: At least one board member incentive linked to HRs commitments • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not Met: Performance criteria linked to HRs made public • Not Met: Review of other board incentives for coherence with HRs policies
A.2.4	Business model strategy and risks	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board process to review business model and strategy for HRs risks • Not Met: Describes frequency and triggers for reviewing business model Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Example of actions resulting from reviews

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a • Met: Senior responsibility for HRs implementation and decision making: The 2022 Annual Report indicates: ‘The compliance organisation is under the authority of the Chairman of the Managing Board, to whom the Director Group Legal & Compliance reports directly. Each country has its own compliance officer, who reports directly to the country manager and indirectly to the Group Compliance department. The Compliance function is also responsible for the compliance management system for human rights. In 2022, the Managing Board appointed a Group human rights officer. In order to implement the human rights compliance programme, two new positions have been created in the Group Compliance department with a focus on human rights expertise’. It is assumed, therefore, that direct Group Legal & Compliance holds the responsibility, as it reports to the CEO. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes day-to-day responsibility for implementing HRs commitments: The Company indicates that 'In 2022, the Managing Board appointed a Group human rights officer. In order to implement the human rights compliance programme, two new positions have been created in the Group Compliance department with a focus on human rights expertise. The future incumbents will cover topics ranging from risk analysis to preventive and remedial measures – in both their own business line and the supply chain. Since the end of 2022, a human rights coordinator has been responsible for human rights compliance management in each of the country organisations. In addition, the country organisations appoint environmental experts to assist human rights coordinators as partners in assessing and addressing human rights risks related to environmental aspects'. However, it is not clear how it assigns responsibility for implementing its human rights policy commitment for day-to-day management across relevant departments. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Not Met: Day-to-day resources and expertise allocation in own operations • Not Met: Resources and expertise allocation with EX BPs
B.1.2	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Senior manager incentives linked to HRs commitments: The 2021 Annual Report discloses a table providing 'an overview of the targets and their achievement per Managing Board member for the year 2021'. It includes the individual targets of each Managing Board Member and total percentage for the year 2021. The individual targets of the Chairman of the Managing Board, Dr Dominik von Achten, include: 'Occupational health and safety across the Group'. Four other Managing Board members have incentives related to Occupational health and safety performance. However, no specific indicator/metric of the incentive was found. [2021 Annual Report_, 2022: heidelbergmaterials.com] • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S: Although various Managing Board Members have an incentive for occupational health and safety performance, it is not clear whether it includes health and safety of local communities and workers of extractives business partners. [2021 Annual Report_, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria linked to HRs made public: Although the Company discloses the total percentages to each Managing Board Members for their individual targets, the criteria linking the senior managers' remuneration to the Company's human rights performance is not clear. [2021 Annual Report_, 2022: heidelbergmaterials.com] • Not Met: Review of other senior management incentives for coherence with HRs policies
B.1.3	Integration with enterprise risk management	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HRs risks integrated as part of enterprise risk system: The Company indicates that its risk management system covers five categories based on the risk catalogue established in the Group: financial risks, strategic risks, operational risks, legal and compliance risks, and climate risks. In the compliance category the company indicates that human rights is part of its compliance programme, and that: 'we have implemented a Group-wide system for the evaluation and reduction of corruption risks and potential conflicts of interest. A comparable system to assess human rights risks has also been implemented within the Group'. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Not Met: Provides an example <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Risk assesment by Audit Committee or independent third party
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a • Not Met: Communicates HRs policies to all workers in own operations: The Code of Business Conduct indicates: 'Each of us is responsible for knowing the applicable laws, regulations and policies, including this Code of Business Conduct. All managers are responsible for ensuring effective communication and monitoring compliance. Our compliance officers organise training and communication and provide appropriate materials and documents for this purpose'. The Code of Business Conduct contains Human Rights provisions. The 2021 Sustainability Report adds: 'As well as face-to-face training, employee training is also carried out online. The range of digital courses, which must be completed by specified groups of

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>employees, covers topics such as the Code of Business Conduct (e.g. discrimination and harassment at the workplace), competition legislation, and the prevention of corruption. In order to achieve the goal of a 100% completion rate for all digital compliance training, we require the country managers to additionally report on training attendance to the responsible member of the Managing Board. The group of persons required to attend the online training courses includes, depending on the course, all employees who have a company e-mail address or employees of specified departments and/or managers. These training courses are mandatory for new hires and are repeated approximately every two years. In addition, training sessions were conducted on other compliance topics such as human rights or money laundering'. It is not clear, however, whether human rights commitments are actually communicated to all employees, as training seems to be on specific topics for specific groups and 'ensuring effective communication' is indicated in the code, but no evidence found on whether it is being done. [2021 Sustainability report, 2022: heidelbergmaterials.com] & [Code of business conduct, 02/2021: heidelbergmaterials.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Communicates HRs policies to stakeholders: According to the Human Rights Position Paper, the Company explains that 'Communication at the locations is supported by the Communication Department of our respective national company. We use the full range of information and dialogue media, from guidelines and information letters to regular meetings with our stakeholders. Each location assigns an employee to receive any local complaints. These are checked internally'. However, no information related to the policy communication was found. [Human Rights Position, 04/2020: heidelbergmaterials.com] • Not Met: Example of how HRs policies are accessible for intended audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Meets ILO requirement for suppliers on A.1.2.a • Not Met: Describes steps to communicate HRs policies to EX BPs: The Company states that it communicates its Supplier Code of Conduct to global and local suppliers so that they accept the principles defined in the Code and follow the guidelines. It also indicates that the Code is globally applicable and forms the basis for all contractual relationships. However, no description of how it communicates was found. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes how HRs policies are contractual/binding for suppliers: The 2021 Annual Report indicates: 'Suppliers are also obligated to comply with our Supplier Code of Business Conduct'. The Supplier Code of Business Conduct adds: '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'. [2021 Annual Report, 2022: heidelbergmaterials.com] & [Supplier code of conduct, 01/2022: heidelbergmaterials.com] • Met: Requires EX BPs to cascade contractual/binding HRs policies to their BPs: As indicated above, the Supplier Code of Business Conduct indicates: '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'. [Supplier code of conduct, 01/2022: heidelbergmaterials.com]
B.1.5	Training on Human Rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of at least 1 on A.1.2.a • Not Met: Describes how workers are trained on HRs policy commitments: The Code of Business Conduct indicates: 'Each of us is responsible for knowing the applicable laws, regulations and policies, including this Code of Business Conduct. All managers are responsible for ensuring effective communication and monitoring compliance. Our compliance officers organise training and communication and provide appropriate materials and documents for this purpose'. The Code of Business Conduct contains Human Rights provisions. The 2021 Sustainability Report adds: 'As well as face-to-face training, employee training is also carried out online. The range of digital courses, which must be completed by specified groups of employees, covers topics such as the Code of Business Conduct (e.g. discrimination and harassment at the workplace), competition legislation, and the prevention of corruption. In order to achieve the goal of a 100% completion rate for all digital compliance training, we require the country managers to additionally report on training attendance to the responsible member of the Managing Board. The group of persons required to attend the online training courses includes, depending on

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			<p>the course, all employees who have a company e-mail address or employees of specified departments and/or managers. These training courses are mandatory for new hires and are repeated approximately every two years. In addition, training sessions were conducted on other compliance topics such as human rights or money laundering'. However, although the Company indicates it has Human Rights training, no further description of the training found. [2021 Sustainability report, 2022: heidelbergmaterials.com] & [Code of business conduct, 02/2021: heidelbergmaterials.com]</p> <ul style="list-style-type: none"> • Not Met: Trains relevant managers including security on HRs: See above. It indicates that specified groups of employees receive training. However, it is not clear security personnel receive Human Rights training. [2021 Sustainability report, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Score of 2 on A.1.2.a • Not Met: Meets both requirements under score 1 • Not Met: Trains BPs to meet HRs commitments • Not Met: Discloses % suppliers trained
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of at least 1 on A.1.2.a • Met: Monitors implementation of HRs policy commitments across global ops and EX BPs: Regarding its suppliers, the 2021 Sustainability Report remarks: 'We also work with an external partner with whom we assess the top-selling suppliers in North America, Germany, and the United Kingdom, as well as the global suppliers in the Group. This involves analysing the suppliers in terms of the sustainability of their operations – including questions about compliance with human rights'. The Human Rights Position indicates: 'In order to assess if we comply with the internationally recognized work and social standards within the HeidelbergCement Group, we set up a three-part monitoring system. This includes: An intensive dialogue with the employee representatives. A compliance hotline where all employees may report deficiencies related to violation of work and social standards anonymously and confidentially. Regular reporting in the form of a general Group Compliance Report and Compliance Incident Report, in order to check/ensure compliance with our own duties in everyday business. The results will be presented to the Audit Committee of the Supervisory Board. Regular audits at our sites ensure uniformly high standards in all areas of environmental protection, health and safety protection within the HeidelbergCement Group'. [2021 Sustainability report, 2022: heidelbergmaterials.com] & [Human Rights Position, 04/2020: heidelbergmaterials.com] • Not Met: Discloses % of EX BP's monitored: Regarding the 'Realisation of concrete measures to protect human rights including implementation of a human rights analysis', the Company indicates its target: 'Between 2018 and 2020, one-third of the country organisations are audited each year'. It adds: 'By the end of 2020, we had carried out an initial human rights risk assessment as planned in the country organisations where we have sole management control, with the exception of countries where we only operate terminals'. It is not clear, however, the percentage of business partners that are being monitored. [2021 Sustainability report, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Score of 2 on A.1.2.a • Not Met: Describes corrective actions process: The Company states in its Annual and Sustainability Report that violations of applicable laws and internal guidelines will be sanctioned and corresponding corrective and preventive measures will be taken to help prevent similar incidents from arising in the future. It also indicates that 'In the event that a supplier does not comply with our sustainability standards, we will endeavour to work closely with the supplier to remedy the shortcomings, but if all corrective actions fail, we must terminate the contractual relationship'. Moreover, in its Human Rights Position the Company adds that 'in the case of increased risk potential or where suppliers do not or only partially meet our standards as well as in the selection of new suppliers, we visit them on site and agree on necessary correction measures where applicable'. However, no description of the corrective actions process was found. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] & [Human Rights Position, 04/2020: heidelbergmaterials.com] • Not Met: Discloses findings and number of correction action processes

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.7	Engaging and terminating business relationships	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HRs performance affects selection EX BPs: The 2021 Annual Report indicates: 'The commitment to human rights aspects as a central selection criterion for suppliers is consistently driven forward by our supplier management system. This requires our partners to commit to our Supplier Code of Conduct, which requires, for example, compliance with the ILO's core labour standards'. The Human Rights Position indicates: 'We do not only select our suppliers according to business criteria alone. Environmental protection, occupational health and safety and social standards as well as compliance are also part of the evaluation of new and existing supply relationships and are embedded in the Supplier Code of Conduct of HeidelbergCement. [...] We inform our suppliers about the expected standards and sensitize them for sustainability topics. In the case of increased risk potential or where suppliers do not or only partially meet our standards as well as in the selection of new suppliers, we visit them on site and agree on necessary correction measures where applicable'. [2021 Annual Report, 2022: heidelbergmaterials.com] & [Human Rights Position, 04/2020: heidelbergmaterials.com] • Met: HRs performance affects ongoing BPs relationships: The Human Rights Position indicates: 'We do not only select our suppliers according to business criteria alone. Environmental protection, occupational health and safety and social standards as well as compliance are also part of the evaluation of new and existing supply relationships and are embedded in the Supplier Code of Conduct of HeidelbergCement. [...] We inform our suppliers about the expected standards and sensitize them for sustainability topics. In the case of increased risk potential or where suppliers do not or only partially meet our standards as well as in the selection of new suppliers, we visit them on site and agree on necessary correction measures where applicable'. The 2021 Sustainability Report adds: 'If a supplier fails to abide by the Code and does not correct a weakness or deficiency that has been identified, this can result in the termination of the contractual relationship'. The Code contains Human Rights requirements. [Human Rights Position, 04/2020: heidelbergmaterials.com] & [2021 Sustainability report, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes positive HRs incentives for business relationships • Not Met: Works with EX BPs to meet HRs requirements: The Company states in its 2022 Annual and Sustainability Report that 'In the event that a supplier does not comply with our sustainability standards, we will endeavour to work closely with the supplier to remedy the shortcomings'. It also indicates in its Human Rights Position that 'In the case of increased risk potential or where suppliers do not or only partially meet our standards as well as in the selection of new suppliers, we visit them on site and agree on necessary correction measures where applicable'. However, no further details of how the company supports business relationships, and not only suppliers, in meeting the company's requirements was found. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] & [Human Rights Position, 04/2020: heidelbergmaterials.com]
B.1.8	Approach to engagement with affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes how workers and communities identified and engaged in the last two years: Regarding its stakeholder engagement, the 2021 Sustainability Report indicates: 'Each country organisation is responsible for establishing and maintaining its own relationships with national and local stakeholders. [...] Along with personal discussions, we use a variety of other means of communication to keep local stakeholder groups informed and enter into dialogue with them – ranging from traditional newsletters and guidelines to social media and a variety of public participation concepts'. However, it is not clear how it has identified affected stakeholders in the last two years. [2021 Sustainability report, 2022: heidelbergmaterials.com] • Met: Discloses stakeholders whose HRs may be affected: The Company states that 'Working with heavy technical equipment or in logistics poses a potential risk to safe working conditions in our industry. This is also a significant human rights risk at our suppliers and service providers. There is a risk of discrimination in all countries. Particular attention should be paid to the risk of discrimination against women in the sector, which is still male-dominated. The extraction of raw materials can lead to conflicts with the rights of the population, for example if there are resettlement plans or if specially protected indigenous groups are affected'. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Not Met: Provides two examples of engagement with stakeholders

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HRs issues: The 2021 Sustainability Report indicates: 'The concerns of our local stakeholders vary from location to location. In general, they range from simple visit enquiries and appeals for us to support projects and sports, cultural, and educational institutions all the way through to information requests. Stakeholders also raise reservations regarding imminent modernisation and expansion measures as well as complaints about noise and dust pollution from our plants and quarries'. However, this indicator focuses on affected stakeholders' views on Human Rights issues. [2021 Sustainability report, 2022: heidelbergmaterials.com] • Not Met: Describes how stakeholders views influenced company's HRs approach

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes process of identifying risks in own operations: The Company states that 'For both, corruption and human rights, our risk assessment methodology starts with defining risk types which the company may be exposed to. [...] for human rights these are risks of discrimination, child or forced labour and risks to freedom of association and collective bargaining, fair and safe labour conditions as well as peoples' right of self-determination and rights of indigenous peoples. These risks are analysed from different functional views including operations, procurement, sales, human resources and investment project teams. This means that potential risks in the supply chain – downstream and upstream - are as well an essential part of the assessment. Risks and functional views are defined by Group experts to have the same comparable structures for all countries. After establishing the above explained structure the assessment starts with collecting information that forms the basis for assumptions that determine the gross risk. The local compliance team reviews the legal environment of the respective country, the enforcement of law by authorities and external evaluations such as [...] the Global Slavery Index of the Walk Free Foundation. Further, the occurrence of historical statistics of compliance violations in the local organisation is analysed. Besides these rather objective criteria the compliance team collects information from their expert colleagues from different departments and operating lines how they perceive the specific compliance risks in the building materials industry based on their experience, observations and real-life events. With all this input the gross risk is assessed in a qualitative way as high, medium or low.' [Governance and Compliance, N/A: heidelbergcement.com] • Not Met: Describes process for identifying risks in EX BPs: Regarding its supply chain, the 2021 Sustainability Report indicates: 'We have been carrying out analyses of human rights risks for several years. This process also explicitly examines the risk of violating the rights of indigenous peoples. In 2021, we continued to systematically assess human rights risks and compile key indicators relating to human rights in each country. The results are analysed jointly by the respective country organisation and Group Compliance'. However, it is not clear if this process comprises all of the Company's business partners. [2021 Sustainability report, 2022: heidelbergmaterials.com] Score 2 • Not Met: Describes global risk identification system incl. stakeholder consultation • Not Met: Describes how risk identification system is triggered by new circumstances • Not Met: Describes risks identified in relation to new circumstances
B.2.2	Assessing human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes assessment process and discloses salient HRs risks: The Company indicates that 'Efforts to protect human rights at our own locations – with a focus on safe working conditions and anti-discrimination – and in the supply chain continued and were intensified by the new human rights compliance organisation described... In addition to training activities, this work included systematically assessing human rights risks on a country-by-country basis and compiling key indicators relating to human rights. The results were analysed jointly by the respective country organisation and the Group Compliance department'. The Company adds that 'Since the end of 2022, a human rights coordinator has been responsible for human rights compliance management in each of the country organisations. In addition, the country organisations appoint environmental experts to assist human rights coordinators as partners in assessing and addressing

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>human rights risks related to environmental aspects'. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com]</p> <ul style="list-style-type: none"> • Not Met: Describes how process applies to EX BPs: The Company states that: 'Efforts to protect human rights at our own locations – with a focus on safe working conditions and anti-discrimination – and in the supply chain continued and were intensified by the new human rights compliance organisation described above and the Responsible Procurement initiative. In addition to training activities, this work included systematically assessing human rights risks on a country-by-country basis and compiling key indicators relating to human rights. The results were analysed jointly by the respective country organisation and the Group Compliance department'. However, it is not clear if this process comprises all business partners. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Met: Public disclosure of results of HRs risk assessment: The Company states that 'Working with heavy technical equipment or in logistics poses a potential risk to safe working conditions in our industry. This is also a significant human rights risk at our suppliers and service providers. There is a risk of discrimination in all countries. Particular attention should be paid to the risk of discrimination against women in the sector, which is still male-dominated. The extraction of raw materials can lead to conflicts with the rights of the population, for example if there are resettlement plans or if specially protected indigenous groups are affected.' [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Describes how assessment involved affected stakeholders
B.2.3	Integrating and acting on human rights risks and impact assessments	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system to prevent, mitigate and remediate HRs issues: The Company states that it systematically assesses human rights risks and that 'The results were analysed jointly by the respective country organisation and the Group Compliance department. The implementation of the agreed action plans for further risk reduction was reviewed and reported to the responsible member of the Managing Board'. It also indicates that 'The risks in the topic areas of corruption, competition law, and human rights are among the ten most important risks that we mitigate by means of our compliance management system'. However, no description was found of the global process to prevent, mitigate or remediate its salient human rights . [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Not Met: Describes how global system applies to EX BPs: Regarding its Human Rights risk assessment, the 2021 Sustainability Report indicates: 'The results are analysed jointly by the respective country organisation and Group Compliance. The implementation of the agreed action plans for further risk reduction is reviewed'. However, no description found of its global system to prevent, mitigate or remediate its salient human rights issues within its extractive business partners. [2021 Sustainability report, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Example of actions decided on at least 1 salient HRs issue • Not Met: Meets all requirements under score 1 • Not Met: Describes how stakeholders involved in decisions about actions taken
B.2.4	Tracking the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system for evaluation effectiveness of actions • Not Met: Example of lessons learned from evaluation effectiveness of actions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Involves stakeholders in evaluation effectiveness of actions
B.2.5	Communicating on human rights impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Provides two examples of comms with stakeholders <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes challenges to effective comms and how it is working to address them

C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance mechanism(s) for workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism accessible to all workers: The 2021 Sustainability Report indicates: 'Our compliance reporting system "SpeakUp", which is obviously also used in the event of potential infringements of human rights and ILO core labour standards, offers employees and external parties the opportunity to report suspected violations of laws or guidelines. Compliance violations can be addressed through a variety of channels, ranging from reports sent directly to specifically authorised contact partners to information submitted via our whistle-blower hotline'. [2021 Sustainability report, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Grievance mechanism available in appropriate languages and workers made aware: The Speak Up webpage is open to reports from many different countries and in some of their respective languages. Workers receive training on the Code of Business Conduct, which contains instructions to the grievance mechanism. [Speak Up page_web, N/A: speakupfeedback.eu] • Met: Describes how workers in EX BPs access grievance mechanism: The Supplier Code of Conduct indicates: 'Suppliers may submit any concerns regarding non-compliant behaviour, either to applicable laws or to internal HeidelbergCement regulations, via our compliance hotline "SpeakUp"'. [Supplier code of conduct, 01/2022: heidelbergmaterials.com] • Met: Expects EX BPs to convey expectation to their BPs: The Supplier Code of Conduct indicates: 'Suppliers may submit any concerns regarding non-compliant behaviour, either to applicable laws or to internal HeidelbergCement regulations, via our compliance hotline "SpeakUp"'. The Code also applies to extractive business partners' suppliers as extractive business partners are expected to 'require adherence to these principles from their direct suppliers'. [Supplier code of conduct, 01/2022: heidelbergmaterials.com]
C.2	Grievance mechanism(s) for external individuals and communities	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism accessible to all external individuals and communities: The 2021 Sustainability Report indicates: 'Our compliance reporting system "SpeakUp", which is obviously also used in the event of potential infringements of human rights and ILO core labour standards, offers employees and external parties the opportunity to report suspected violations of laws or guidelines. Compliance violations can be addressed through a variety of channels, ranging from reports sent directly to specifically authorised contact partners to information submitted via our whistle-blower hotline'. [2021 Sustainability report, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Grievance mechanism available in appropriate languages and affected stakeholders made aware: The Speak Up webpage is open to reports from many different countries and in some of their respective languages. In the 2022 Sustainability Report is stated that 'SpeakUp is publicised on the intranet, on the internet, and at the various locations by means of informative posters.' However, the it is unclear if the above applies to other stakeholders than employees. [Speak Up page_web, N/A: speakupfeedback.eu] & [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Not Met: Describes how external individuals/communities access grievance mechanism: The Supplier Code of Conduct indicates: 'Suppliers may submit any concerns regarding non-compliant behaviour, either to applicable laws or to internal HeidelbergCement regulations, via our compliance hotline "SpeakUp"'. However, it is not clear that external individuals and communities have access to it, in order to raise Complaints or concerns about human rights issues at the Company's extractive business partners. [Supplier code of conduct, 01/2022: heidelbergmaterials.com] • Not Met: Expects EX BPs to convey expectation to their BPs
C.3	Users are involved in the design and performance of the mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes how users engaged on design and performance • Not Met: Provides user engagement examples (at least two) on design and performance <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how users engaged on improvement of mechanism • Not Met: Provides user engagement examples (at least two) on improvement

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.4	Procedures related to the mechanism(s) are equitable, publicly available and explained	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes procedure and timescales for managing complaints or concerns: The document Incident Reporting and Case Management indicates: 'The investigator is responsible for communication with the reporting party. Reports coming in via SpeakUp will receive an initial response within three days after the message effectively was received by the case management team. A message about the outcome of the investigation should be posted latest 60 days after effective receipt of the initial message. However, complex cases may require more time for investigation which may require additional communication with the reporting party'. [Incident Reporting and Case Management, N/A: heidelbergmaterials.com] • Not Met: Describes technical, financial, advisory support to enable equal access <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe types of outcome to complainant through use of mechanism: The Company indicates remedial action may result from an incident investigation, including: 'Disciplinary measures; Civil claims; Criminal prosecution; Resolving detected shortcomings'. However, it is not clear the types of outcomes to the complainant through use of the grievance mechanism. [Incident Reporting and Case Management, N/A: heidelbergmaterials.com] • Not Met: Describes escalation to senior levels / independent adjudicators
C.5	Prohibition of retaliation for raising complaints or concerns	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public statement prohibiting retaliation against workers/stakeholders: The document Incident Reporting and Case Management indicates: 'Heidelberg Materials assures the reporting party that any report will be addressed effectively and that there is no risk of retaliation'. The Code of Business Conduct reaffirms it: 'the company will ensure that a person who reports a compliance violation in good faith does not have to fear retaliation'. [Incident Reporting and Case Management, N/A: heidelbergmaterials.com] & [Code of business conduct, 02/2021: heidelbergmaterials.com] • Met: Describes practical measures to prevent retaliation: The document Incident Reporting and Case Management indicates: 'the reporting party can disclose his or her name or decide to remain fully anonymous'. [Incident Reporting and Case Management, N/A: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Specifies no legal action, firing or violence • Not Met: Expects EX BPs to prohibit retaliation against workers/stakeholders
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Complainants not asked to waive legal rights • Not Met: Does not require confidentiality provisions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Cooperates with state based non judicial mechanisms • Not Met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes approach taken to remedy adverse HRs impacts: The 2021 Sustainability Report indicates: 'Apart from cases on health and occupational safety, four cases of discrimination were reported in relation to human rights issues, one of which was confirmed, and seven cases of harassment, with four justified complaints. The confirmed cases were responded to with sanctions and/or preventive measures.' However, although the Company indicates actions were taken to remedy these situations, no description of these actions found. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Not Met: Describes how remedy would be provided if no adverse impact identified <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes changes to systems, processes and practices to prevent future impacts • Not Met: Describes approach to monitoring/implementing agreed remedy • Not Met: Describes approach to learning from incidents if no adverse impacts identified
C.8	Communication on the effectiveness of grievance	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Discloses number of grievances filed, addressed or resolved and outcomes achieved: The 2022 Sustainability Report indicates: 'Of the 233 incidents reported,

Indicator Code	Indicator name	Score (out of 2)	Explanation
	mechanism(s) and incorporating lessons learned		<p>around half proved to be unfounded, while for 20%, no final investigation result had been determined by the editorial deadline. For just under 28% of the incidents, the investigations revealed that they were at least partially substantiated. None of the substantiated incident reports had a material impact on the consolidated financial statements. For all substantiated cases, measures were taken, ranging from root cause analysis, changes to policies and processes, and communication and training through to disciplinary action (such as a written warning or dismissal). In 42% of the substantiated cases, sanctions are imposed and for 81% of these incidents, preventive measures are implemented.' [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com]</p> <ul style="list-style-type: none"> • Met: Example of how lessons from mechanism improved HRs management system: The Company states that 'For all substantiated cases, measures were taken, ranging from root cause analysis, changes to policies and processes, and communication and training through to disciplinary action (such as a written warning or dismissal). In 42% of the substantiated cases, disciplinary action was taken, and in 64% of these incidents, preventive measures were implemented.' [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes process to evaluate mechanism and changes made as a result • Not Met: Describes procedures to address delays of outcomes agreed with stakeholders

D. Performance: Company Human Rights Practices (25% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Pays living wage or sets time-bound target: The 2022 Sustainability Report indicates: 'The remuneration systems at Heidelberg Materials are based on performance and results in accordance with the market standards for internationally operating companies in our sector. Alongside fixed remuneration governed by a collective agreement or an individual work contract, our employees also receive variable remuneration elements based on their individual performance and on corporate success.' However, it is not clear the Company has a time bound target for paying all workers a living wage or that it pays all workers a living wage. A living wage should include basic needs plus some discretionary for employees and his/her family and/or depends. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how living wage determined • Not Met: Achieved paying living wage • Not Met: Reviews definition living wage with unions
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Member of EITI • Not Met: Reports of taxes and revenues beyond legal minimums: The Tax Policy indicates: 'HeidelbergCement is one of the world's largest manufacturers of building materials. Our approx. 51,000 employees work at around 3,000 production sites in more than 50 countries on five continents. [...] We ensure timely reporting and accurate accounting of tax risks via group-wide standardised risk reporting guidelines and tools. The processes and controls as well as key tax matters are subject to regular reviews by internal and external auditors. Significant findings and risks identified as material are regularly reported to the Group CFO as well as the Audit Committee'. However, it is not clear the Company publicly reports, by country, the taxes and revenue payments to some countries beyond legal requirements for disclosure. [Tax Policy, 2021: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Reports taxes and revenue by country • Not Met: Steps taken to promote transparency in non EITI countries • Not Met: Provides example of contracts for terms of exploitation for countries without disclosure requirements

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Measures to prohibit violence/retaliation against workers for joining trade union: The Code of Business Conduct indicates: 'We are committed to a sincere and fair dialogue with our employee representatives and their rights of freedom of association and collective bargaining. HeidelbergCement will constructively engage unions at locations where our employees choose to be represented, including in matters of occupational health and safety'. However, it is not clear the measures the Company puts in place to prohibit any form of intimidation, harassment, retaliation or violence against workers seeking to exercise the right to form and join a trade union of their choice (or equivalent worker bodies where the right to freedom of association and collective bargaining is restricted under law). [Code of business conduct, 02/2021: heidelbergmaterials.com] • Not Met: Discloses % of total direct operations covered by CB agreements <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1
D.3.4	Health and safety: Fatalities, lost days, injury, occupational disease rates (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes process to identify H&S risks and impacts: The 2021 Sustainability Report indicates: 'With effective preventative measures, we intend to minimise the risk of accidents and injuries as well as the risk of occupational illness. [...] To support our processes, we use HC-Protect throughout the Group. Provided by Intelix, this is a standardised software solution in which all accidents involving our own employees and those from external companies are recorded and necessary corrective actions are documented and tracked. An accident event cannot be closed in HC-Protect until the causes of the accident have been analysed and documented and corrective or preventive actions have been defined. We share the findings across the Group in the form of safety alerts in order to prevent similar accidents at other locations. [...] In addition, we place special emphasis on the preventive recording of unsafe conditions in the workplace so that they can be remedied and accidents prevented. We therefore record in HC-Protect any near misses or unsafe conditions observed during safety conversations or plant inspections and determine appropriate corrective actions and the target date with the responsible parties right away. This data is used at all management levels for monthly reporting'. [2021 Sustainability report, 2022: heidelbergmaterials.com] • Met: Discloses injury rate or lost days for last reporting period: The 2022 Sustainability Report indicates the Lost time injury frequency rate for 2022: 1.7. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Met: Discloses fatalities for last reporting period: It also indicates its Fatality rate for 2022: 0.2 [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Met: Discloses occupational disease rate for last reporting period: As for occupational illness, it indicates the rate of 0.84 for 2022 [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Set targets for H&S performance: The webpage section Occupational health and safety indicates: 'We believe that injuries, occupational illnesses, and work-related health complaints are avoidable. That's why we continuously strive to minimise the risks for our employees, contractors, and third parties and to achieve our goal of "zero harm", which we reiterated in our Sustainability Commitments 2030'. [Occupational Health and Safety_web, N/A: heidelbergmaterials.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Met targets or explains why not or actions to improve H&S management systems: The webpage section Occupational health and safety indicates: 'as a member of the Global Cement and Concrete Association (GCCA), Heidelberg Materials is bound by their guidelines. These have been integrated into our internal standards. As part of our Group guideline on occupational health and safety, we have defined a set of "cardinal rules" that are mandatory for all employees and contractors. They relate in particular to those activities that have been identified as main accident black spots. They are therefore also addressed in specific Group standards and must be translated into local regulations. Through intensive training measures, we ensure that everyone involved remains acutely aware of these risk areas, in order to decrease the number of accidents. [...] Work management systems, such as those in accordance with the internationally accepted OHSAS 18001 or ISO 45001 standard, have already been implemented in 89% of our operational locations. These systems require a structured approach from the location managers with planning, clear work regulations, responsibilities, and controls to ensure an ongoing improvement process and thus prevent accidents'. [Occupational Health and Safety_web, N/A: heidelbergmaterials.com]
D.3.5	Indigenous peoples' rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Process to identify/recognise indigenous rights holders: The 2022 Sustainability Report indicates: 'In our country organisations, we carry out human rights risk analyses [...]. The process will consider risks relating to discrimination, child or forced labour, risks to freedom of association and collective bargaining, risks to fair and safe working conditions, to the right of peoples to self-determination, and to the rights of indigenous peoples.' However, it is not clear the process it has in place to identify and recognise affected indigenous peoples. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] • Not Met: Describes how indigenous communities are engaged during assessment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to FPIC • Not Met: Recent example of obtaining FPIC or not pursuing indigenous people's land/resources
D.3.6	Land rights: Land acquisition (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes approach to identifying land tenure rights holders and negotiating compensation: The 2022 Sustainability Report indicates: 'We also involve local stakeholders at an early stage when planning investment projects, such as by setting up contact offices and holding information and discussion events'. However, it is not clear how it identifies legitimate tenure rights holders, including through engagement with the affected or potentially affected communities in the process, with particular attention to vulnerable or marginalised tenure rights holders and how it negotiates with them to provide adequate compensation or requested alternatives to financial compensation, when acquiring, leasing or making other arrangements to use or restrict the use of or access to land or natural resources. [Annual and Sustainability Report 2022, 23/03/2023: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes approach to compensation including valuation • Not Met: Describes steps to meet IFC PS 5 in state deals
D.3.7	Security (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes security implementation (incl. VPs or ICOC) and provides an example • Not Met: Ensures Business Partners/JVs follow security approach <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Security and HRs assessment includes input from local communities • Not Met: Two examples of working with local communities to improve security

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes preventative/corrective action plans for water and sanitation risks: It indicates some of its water related actions: 'Our subsidiary Hanson Cement in the UK reduced its water consumption by over 90% at several sites by implementing measures like converting to closed circuits and reducing water pressure. Being a good neighbour: For years, our operations in India have collected more water from sustainable sources such as rainfall than they consume and excess water is shared with local stakeholders and neighbouring communities. Reduce climate-related risks: At one of our Australian quarries, employees have developed an innovative system to effectively manage and treat stormwater runoff. All our countries have taken action to assure that all our sites comply with the WASH Pledge for access to safe water, sanitation and hygiene latest by the end of 2021'. [Water management, N/A: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Sets targets on water stewardship that consider water use by local communities: The Company indicates its water-related sustainability target: 'By 2025, at all production sites will have installed water reporting. By 2025, all production sites in water scarce areas will have implemented own Water Consumption Reduction Plans. By 2030, all our plants in water scarce areas will have implemented individual water management plans'. However, no evidence found of targets on water stewardship that take into consideration water use by local communities and other users in the vicinity of its operations. [Water management, N/A: heidelbergmaterials.com] • Not Met: Reports progress in meeting targets and trends demonstrating progress
D.3.9	Women's rights (in own extractive operations, which include JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes processes to stop harassment and violence against women: The 2021 Annual Report indicates: 'As well as face-to-face training, employee training is also carried out online. The range of digital courses, which must be completed by specified groups of employees, covers topics such as the Code of Business Conduct (e.g. discrimination and harassment at the workplace), competition law, and the prevention of corruption'. However, no description found of its processes to prohibit and address harassment, intimidation and violence specifically against women. [2021 Annual Report, 2022: heidelbergmaterials.com] • Not Met: Working conditions take into account gender issues • Not Met: Measures and steps to address gender pay gap at all levels of employment: The 2021 Sustainability Report indicates: 'We have worked on the promotion of women in the past few years and achieved significant success. The proportion of women in programmes for the advancement of future executives across Germany is 31% (previous year: 31%) and therefore significantly higher than the proportion of women in the total workforce. A big challenge remains the development in operational functions, such as sales and plant management, especially, since the number of women studying technical subjects relevant for building materials production is still rather small. Experience in these areas is a key qualification for assuming higher leading positions. We intend to develop and introduce programmes in these areas that will make it easier to access and generate interest in the processes and workings of our plants'. However, it is not clear the steps it takes to address any gender pay gap throughout all levels of employment and how it measures it. [2021 Sustainability report, 2022: heidelbergmaterials.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Provides analysis of trends demonstrating closing gender pay gap

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 17.17 out of 80 points scored in themes A-D has been applied to produce a score of 4.29 out of 20 points for theme E.

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