

Principles of Corporate Social Responsibility of CRH

These Principles of Corporate Social Responsibility (hereinafter the “**CSR Principles**“) are a part of agreements concluded by the companies belonging to CRH Group, and having its seat in the Slovak Republic, in the position of a Client (Danucem Slovensko a.s., ecorec Slovensko s.r.o., TransPlus (Slovensko) s.r.o., Premac, spol. s r.o., Ferrobeton Slovensko s.r.o.) (hereinafter the “**Client**“) with their contractors (hereinafter the “**Agreement**“).

The Contractor means a contractual partner of the Client in the position of a seller, contractor, service provider, carrier, operator of transport or mechanisation means, lessor, consultant, intermediary, representative or any other entity, with whom the Client has concluded an Agreement, which also includes these CSR Principles (hereinafter the “**Contractor**“).

Basic Ethical Principles

The Contractor acknowledges that the entrepreneurial activities of the Client, including contractual relationships, are governed by the Code of Business Conduct, Supplier Code of Conduct and Anti-Bribery Policy published on the web site <https://www.danucem.com/sk/sustainability/ethical-behavior-and-management> and <https://www.danucem.com/partner-zone/documents>, which the Contractor has read and undertakes to comply with as they may be amended from time to time.

The Contractor undertakes to adhere to good ethical practices as set out in the Code of Business Conduct and, in particular, undertakes: (i) to support protection of human rights, (ii) to respect freedom of association and right to collective bargaining, (iii) to prohibit all forms of forced, compulsory or child labour, (iv) to apply principles of equal opportunity in respect of recruitment and selection of employees, (v) to proceed in line with health & safety best industry practice, (vi) to support proactive approach to environmental challenges, and (vii) to co-operate with the Client in the field of anti-bribery and anti-corruption. The Contractor also undertakes to comply with all relevant laws relating to the protection of human rights, anti-slavery, health, safety, environment, anti-bribery, anti-corruption and money laundering laws (*including the UK Bribery Act, US Foreign Corrupt Practices Act and laws regulating the use of minerals from the conflict-affected areas, if applicable*).

If the Contractor is in the position of a business partner as defined in the Anti-Bribery Policy (*business consultant, sales agent, intermediary, sales distributor, lobbyist*) or in any similar position that includes any authorization to act on behalf of the Client, the Contractor is not authorized to engage third parties to perform the Agreement without consent of the Client provided in advance in writing. The Contractor in the position of a business partner undertakes to co-operate fully with the Client in any investigation of any breach of these CSR Principles and authorises the Client to audit and undertakes to permit a full review of the Contractor's accounting records and all compliance procedures relating to bribery and corruption at the request of the Client.

Illegal Work

The Contractor undertakes to comply with all obligations arising from the legislation prohibiting illegal work, including Act No. 82/2005 Coll. on Illegal Work and Illegal Employment, and in particular to secure that the Contractor supplies the works and services under the Agreement exclusively by persons who are not illegally employed.

Guarantee for VAT

With respect to the provisions of Act no. 222/2004 Coll. on Value Added Tax (hereinafter the “**Act on VAT**“) stipulating purchaser's guarantee for VAT stated in the supplier's invoice and for the purpose of monitoring and evaluation of risk in the business partners, the Contractor, if having its seat in SR:

- (a) hereby declares that as of the day of execution of the Agreement there are no reasons whatsoever upon which the Client as the purchaser of goods, works or services would become the guarantor for any unpaid tax of the Contractor as the supplier of goods, works or services in terms of Section 69 (14) in connection with Section 69b of the Act on VAT;
- (b) declares that the Contractor has no tax arrears and there are no reasons for a potential cancellation of the Contractor's VAT registration in particular in terms of Section 81 (3) paragraph b) the second item of the Act on VAT and the Contractor is not included in the list of entities with reasons for cancellation of VAT registration in terms of Section 81 (3) paragraph b) the second item of the Act on VAT maintained by the Financial Directorate of the Slovak Republic (hereinafter the “**Blacklist**“);

(c) and to inform the Client in writing of any reasons that could cause that the Client could become guarantor for any unpaid tax of the Contractor or could cause cancellation of VAT registration of the Contractor in particular in terms of Section 81 (3) paragraph b) the second item of the Act on VAT within 3 days upon occurrence of the situation in question and to inform the Client of the fact that the Contractor is published in the Blacklist and to state the day of publishing no later than within 3 days upon occurrence of the aforesaid situation.

The Contractor declares that each of its bank accounts specified in the Agreement is notified to the Financial Directorate of the Slovak Republic in accordance with § 6 of the Act on VAT as an account used for business. In the event that the Client finds that this declaration of the Contractor is untrue, the Client is entitled to split the payment for supplies, paying VAT directly to the tax administrator's account number kept for the Contractor, which is published on the website of the Financial Directorate of the Slovak Republic. The Contractor is obliged to report to the Client any change that concerns the accounts specified in the Agreement.

International Trade Sanctions

The Contractor, with respect to its obligations under the Agreement, undertakes to comply with the relevant laws related to international trade, in particular, the laws on export and import control and economic sanctions, embargoes or restrictive measures issued and/or imposed by the Slovak Republic, the European Union and its bodies, the UN Security Council, the US Treasury Department's Office for Foreign Assets Control (OFAC), the US Department of State and HM treasury of the United Kingdom prohibiting trade with certain countries, territories, entities and individuals. The Contractor represents that it is neither (i) a sanctioned person by any of the above mentioned regulatory authorities, (ii) a person domiciled or resident in a country or territory subject to economic sanctions imposed by any of the above mentioned regulatory authorities, nor (iii) an administrative or executive body, agency, representative or other entity or individual, directly or indirectly owned or controlled by or acting on behalf of a person or entity under clauses (i) and/or (ii).

Service Organisation Controls (SOC) Reports

If the Contractor is in the position of a supplier of IT systems, cyber-oriented services and/ or software support services, the Contractor, at the request of the Client, undertakes to provide the Client with the SOC 1 Type 2 Report or SOC 2 Type 2 Report as they are defined by the American Institute of Certified Public Accountants (AICPA) prior to the performance of the Agreement. If the Contractor is only able to provide a SOC 2 Type 2 Report, it should include and describe the following processes: change management controls for the application layer; SoD – Segregation of Duties; Separation of Environments: separation of development, test and production environments and also regulate the developers' access; patch management; logical access (infrastructure layer); IT operational processes with focus on backup services to ensure the stability of the goods, works and services delivered by the Contractor. These reports must be provided on an annual basis to cover the entire performance period of the Agreement, but at least 9 months of the calendar year. For the remainder of the year (3 months) the Contractor shall provide a "bridging letter" stating and confirming that they will cover the remainder of the year with a new SOC report. If the Contractor is unable to provide any of the SOC reports described above, the Client shall have the right to directly access, audit and assess the Contractor's relevant controls to ensure the security, availability, processing integrity, confidentiality and privacy of the goods, works and services provided by the Contractor under the Agreement. At the request of the Client the Contractor undertakes to enable the Client to carry out the reviews without delay and at no additional cost. The Contractor agrees to promptly address and mitigate any identified deficiencies or concerns raised by the Client regarding the SOC Report, the findings of the audit/assessment and/or the effectiveness of the controls and processes described therein.

Breach of the CSR Principles

The Client confirms that the appointment of the Contractor was made based on the assumption that none of any obligation contained in these CSR Principles will be violated.

The Contracting Parties agree that any breach by the Contractor of any of the obligations contained in these CSR Principles shall be considered a material breach of the Agreement and shall entitle the Client to terminate the Agreement and/or suspend all payments and with immediate effect. The Client is authorised to such termination of the Agreement, in particular, but not exclusively, in cases of breaches concerning the Contractor's publication in the Blacklist, the occurrence of the Client's liability for any

tax not paid by the Contractor and/or the violation of law on bribery and corruption.

The Contractor undertakes to compensate to the Client in full any damage and cost suffered by the Client in case of any breach of the obligations stipulated in these CSR Principles. The Contractor shall indemnify the Client, in particular, but not exclusively, for any damage suffered by the Client being obliged to pay any penalty or other sanction or any additional or other payment, due to the Contractor having breached any of its obligations following from the Agreement, including these CSR Principles, and/or from generally binding legal regulations.

The Contractor undertakes to fully co-operate with the Client in investigation of any breach of the above-mentioned rules, and, in particular, to provide to the Client the information, certification of origin of goods and other documents, access to the premises and/or satisfactory explanation regarding compliance of the supplies of goods and/or provision of works and/or services under the Agreement with the obligations included in these CSR Principles.