

Communication on Progress
2012-2013

Support statement

H.E. Ban Ki-moon
Secretary – General
United Nations
New York, NY 10017
USA

Aspropyrgos 20th January 2014

Halyps Communication on Progress Report

Dear Mr. Secretary-General,

I am proud to validate our commitment to all of the ten (10) principles of United Nations Global Compact Initiative. Despite the fact of the difficult economic situation we face in Greece, it is of utmost importance for us to reconfirm our commitment and loyalty to all these principles, since it is part of our philosophy and culture in our daily operations for all business activities.

Sincerely,
Serge Schmidt
Managing Director Greece

Introduction

Halyps Building Materials SA Communication of Progress (COP) covers the physical year from 31st October 2012 to 31st December 2013.

As a member of Italcementi Group, Halyps does not publish its own sustainability report, but it contributes to the consolidation of relevant data and information detailed in the 2012 Italcementi Group's Sustainability Disclosure, available in the corporate website (www.italcementigroup.com). The Group Sustainability Disclosure 2012 includes full reference to the Group's COP, to be considered valid also for Halyps Building Materials SA for the corresponding time period.

This report includes the three business divisions of Halyps in Greece which are the following:

1. Cement production
2. Quarrying and aggregates
3. Concrete production.



CERTIFIED M.S. CERTIFIED M.S. CERTIFIED M.S.
ISO 14001:2004 ISO 9001:2008 ISO 50001:2012
212/II/2012 1283/A/2012 01/EA/2012

Halyps working definition of COP stresses the significance of linkage and alignment between its operating components assuring the management processes and strategic vision, the integrity of information, the excellence and the culture of everyday operations.

Human Rights Principles

For Halyps Building Materials SA, human rights consist a fundamental principle of a well organized corporation and the society of the plant in terms of an organizational structure. Our company requires our partners to comply with both the human rights principles and our internal policies. Halyps strong feeling is that all employees are one of the most valuable assets for the company. We have set high standards of training and working conditions for all employees, as Halyps creates an attractive working environment. Hence, Halyps is categorized as an excellent choice for potential qualified employees.

1. Assessment, Policy and Goals

Halyps respects all the local laws and obligations as a minimum base of operations, which follow the International rules referring to human rights, and based on internal policies, have set high standards for our own human resources

- Following and implementing the Italcementi Group's Sustainability Policy and its daughter Policies: Human Rights Policy, Safety Policy, Social Initiatives Policy, and Health Policy. All the above engagements do not conflict or create any kind of collision with the Greek laws and labor agreements.
- Halyps, as a member of Italcementi Group, adopted the Human rights policy which supports internationality of employees, and recognizes all human rights according to the Universal Declaration of Human Rights as a subsequent of the International Labour Organization standards.
- Halyps applies the Human Rights policy to all its business activities in Greece.

2. Implementation

Understanding all the needs and peculiarities of the work, we have created an ongoing process of monitoring, analyzing and managing the entire framework of human rights.

- Halyps Cement collaborates with the Global Compact Network Hellas for any related issues which are disseminated to all stakeholders.
- Our daily operations concerning human resources activities follow high standards of collecting information and data inputs, reporting and analyzing all possible working conditions and possible working issues for all departments and business activities.
- Halyps Cement follows Italcementi Group rules for communicating, informing and training all employees for the policies and regulations, using all available communication and management tools, such as intranet portal, management meetings and message boards.
- Equal job opportunities to all applicant employees according to HR and Communication policies for internal job candidates using the local Intranet and all the other internal tools.
- Prohibiting sexual harassment behaviors, as well as racist attitudes as, color, gender, religion, origin and age.
- According to all internal policies and country regulations, Halyps also controls vendors and subcontractors, based on Halyps management mechanism.
- Halyps voluntary team "ikaros-ikaroc", continues performing environmental and sociocultural activities.
- Based on the Human Rights policy, the following major points are controlled:
 - Minimum age for work
 - Assurance of equal opportunity and treatment to all employees
 - Freedom to choose whether to be a member of the union or not
 - Safe and healthy working conditions

3. Measurement of outcomes

Halyps Building Materials SA has never been accused for illegal working conditions and violations of Human rights against employees or subcontractors.

Human rights measurements can be found also in the Italcementi 2012 Group's Sustainability Disclosure.

Outcomes are also derived from the Performance Appraisal (PA) assessment.

Human resources department analyzes and reports on a yearly basis the current employee multicultural and multinational working status.

Labor Principles

As Halyps is a cement industry under the rules of the Greek heavy industry organization, which operates in the production of building materials (cement, raw materials, ready mix concrete), the company treats all employees with integrity and fairness, as labor is a core business asset. Hence, Halyps as a company producing, quarrying and selling building materials, we have absolutely set strong management criterias and high targets of KPI's concerning our responsibility to ensure that all of our operating facilities are aligned with all relevant internal, global and national labor principles.

1. Assessment, Policy and Goals

As a member of Italcementi Group, Halyps examines, organizes and manages the Human Resources by setting high standards:

- Halyps adopted and developed the Training and Development policy which is aligned with Italcementi Group. Our organization has set a high level of training for all employees according to business needs and professional growth. Halyps also verifies that all employees are employed, insured, properly licensed and well trained according to the local laws.
- Since 2008, an internal candidate system is operating, local and global, as a dynamic mechanism for internal human resource job evaluation and posting.
- Halyps does not recruit workers below 18 years old to any of its business activities. All the professional staff for all business activities is under the local and global organizational policies and code of ethics. Moreover, all Halyps employees are hired under the Greek and European rules, without trespassing any law and Greek labor authorities and principles.
- Halyps continues developing career path for all employees.
- Halyps applies the Health Policy, the Safety Policy and the Human Rights Policy for all business activities in Greece.

2. Implementation

Halyps is against the illegal work and takes initiatives in order to create a working multicultural environment based on all the local and international policies and laws.

- Halyps has an officially elected and recognized labor union following all national and internal laws and regulations. All employees have the right to choose whether to be members of the union or not.
- Apart from the local regulations under which the company is operating, Halyps is also trying to promote the internal principles to contractors, and suppliers.
- Halyps has established the "Safety Awards" in order to promote and reward safe behaviours.
- Based on Italcementi Group Safety Management Handbook and according to Health and Safety Policies, which aim at adopting safe behaviour during daily activities and making "Safety: a way of living", the following points are under continuous consideration and improvement :

- Reduction of work risks
- Perform various actions for safer workplace environment
- Implement audits and reports
- Regular safety information and training for all employees
- Annual medical assessments for all employees
- Upgrading technical equipment in order to reduce adverse health exposure
- Direct and immediate to all levels communication for health information
- Supplying of high quality PPE for all business activities personnel

3. Measurement of outcomes.

- All employees are under continuous monitoring for their performance, having the freedom and the right for open discussion with the supervisors and their managers following internal procedures.
- The achievements are available under the social responsibility section of 2012 Italcementi Group Sustainability Disclosure. At local level, employees' achievements are available through internal procedures (Safety Awards, Personal Commitments and Objectives, Performance Appraisal Assessment)

Environmental Principles

Halyps Building Materials SA fully understands the global climate change, is quite sensitive to climate issues, and tries to perform proactive environmental actions, and be an organization which applies best practices as a model plant for the entire region where it operates. Halyps as a company has three main categories of operations: cement production site, quarry for limestone and plant for ready mix concrete production. For all these business activities, Halyps Cement, is operating under high quality standards and above the Greek and European regulations, having as main target the establishment of high targets for KPI's of sustainability, safety and environmental topics. Halyps strategic vision is to continuously minimize the emissions, using alternative and renewable fuels as a source of energy, and reduce the operation impact to the environment. In addition Halyps is feeling responsible for protecting the entire society and improving the life conditions of the local communities following the Corporate Social Responsibility and Social Initiative Policy.

1. Assessment, Policy and Goals

Following the International criterias for the environment, we developed a systematic approach in order to improve the environmental conditions. Halyps implements the following actions with reference to the environmental protection:

- Halyps operates under the Environmental Policy for all activities in Greece, as a sequence of Italcementi developed policies. Following the Environmental Policy, it is clear enough that cares and acts for the improvement of production process and creates and develops mechanisms for better control and reports, promotes and develops innovative and sustainable cement products. Also when purchasing equipment, Halyps ensures that their selection is on the most energy-efficient ones.
- Halyps also participates in other organizations for environmental issues such as: SEV-BCSD and through Italcementi in WBCSD.
- A new strategy is examined in order to be ready to prepare, develop and follow up a new project exclusively for biodiversity for the quarry plant.
- Halyps Sustainability Policy for the Environment promotes environmental friendly technologies which deliver at the same time innovative products using eco-friendly technologies and materials.

- Halyps Sustainability Policy for Energy guarantees the promotion of a sequence of actions for direct, immediate and proactive actions to be aligned with the climate change, such as the reduction of carbon dioxide emissions. Moreover, the company promotes to all employees the attitude to reduce their own energy consumption through training and their daily operations.
- Halyps applies the Energy and Environment Policy for all business activities in Greece.

2. Implementation

Halyps has data collection methods and analytical tools in order to be able to support high quality diagnosis and be prepared to act and provide clear and reliable strategies for intervention.

- Installation of a real time continuous emission monitoring and reporting system.
- Rehabilitation project for Halyps Quarry.
- Management of waste materials and recycling.
- In May 2012, Halyps organized stakeholder information-environmental meeting, at Halyps Building Materials premises.
- Use of alternative fuels (AFs).
- In July 2012, Halyps achieved the ISO50001 certification, as the next step for BS 16001 certification.
- During 2012, Halyps achieved the ISO14001 certification for quarry.
- Halyps Building Materials SA, celebrates and performs activities for UN Global Compact days throughout all the year (World Water Day, World Environment Day, etc.).
- Promote to all employees to recycle small devices, aluminum boxes, packages and batteries. The existing recycle corners are available and free to use for all employees to all business activities.
- Arrange meetings with the local communities and public stakeholders in order to inform them about all activities and future environmental strategic plans.
- In November 2013 the inauguration ceremony for the five (5) new silos was realized. The project was completed safely, on-time and is expected to improve radically the image of the plant.
- According to the Sustainability Policy for the Environment & Energy, Halyps acts strongly according to the following major points:
 - Considering actions for energy protection and efficiency for operations and supply chain
 - Achievements for reducing carbon dioxide emissions
 - Use of alternative fuels and renewable sources of energy
 - Proactive techniques for the climate change
 - Use of latest technology industrial equipment
 - Rehabilitation project for quarry
 - Reduction of water consumption for all business activities
 - Yearly environmental audit, internal and external

3. Measurement of outcomes.

Halyps environmental management system is continuously monitoring the outputs of everyday operations, which set environmental responsibility at high level, as Halyps Cement is ready to act taking advantage of the pro-active approach.

- Halyps Building Materials SA achievements and outputs are available in the Italcementi 2012 Sustainability Disclosure
- European emissions (all emissions) reporting system for cement plant and direct report.

Anti-Corruption Principles

Halyps Cement does not accept and prohibits corruption, unofficial commercial or payments for company benefits. Halyps Company believes and promotes the cooperation between all cement industries and support partnerships which participate in the cement production but also it cooperates with those who operate in the construction industry. Our commitment is to operate without secret or hidden issues and unofficial operating conditions. Halyps aims to have the same equal frame of opportunities to all companies in the construction area. All Halyps activities for product purchasing, production issues, commercial methods and day to day operations, conform in total with all local and global laws and regulations. Moreover, Halyps Cement forwards and supports the anti-bribery policy to the dealings with the contractors and with third parties or Authorities.

1. Assessment, Policy and Goals

Halyps, following and adopting Italcementi Group core values and policies, has already adopted the Code of Ethics and the Charter of Values aligned with the corporate governance of Italcementi. In addition, Halyps organization develops systems for preventing high risks from criminal actions.

2. Implementation

Halyps implements a system for selecting suppliers, products, services and create partnerships based on the internal policies and ethics. Halyps target is to promote the code of ethics to all Halyps current and potential partners.

Halyps has also developed a Crisis team in order to confront any corruption issues.

3. Measurement of outcomes.

- In the annual reports of 2012 there are no records of violations.
- Halyps performed Vendor management procedure.
- Halyps Building Materials SA, has twice per year external auditors assessment performed in our premises.

Conclusion

Halyps Building Materials SA is a member of Italcementi Group since 1997. Through all these years Halyps is operating under superior management system aligned with all Italcementi's policies and United Global Compact policies. As a member of Italcementi Group, Halyps Building Materials SA ensures that all corporate policies are well transparently adopted for all employees. Throughout Halyps history there are no non-compliant cases referring to any of the United Global Compact principles or against international laws.

Concerning the information related to this COP, Halyps does not yet generate detailed set of Global Reporting Indicators (GRI) as a method of reporting and reference to COP. However Halyps performances contribute to the consolidation of Group's data, reported into Group's Sustainability Disclosure (including the Group COP).

References

- www.italcementigroup.com
- www.halyps.gr
- www.hcia.gr
- www.unglobalcompact.org
- www.globalcompactnetworkhellas.gr