



RESPONSIBLE LOCAL COMMUNITIES RELATIONS POLICY

AUGUST 2020

OCP GROUP



I. PURPOSE

As a major contributor to the global fertilizer market, OCP Group supports the transition towards a more prosperous, sustainable, and resilient agriculture. The Group is vertically integrated, from phosphate rock extraction to phosphoric acid and fertilizer production, and therefore strategically positioned to deliver its mission: contribute to responsibly and sustainably feeding a growing world population. This implies respecting human rights and dignity, promoting greatest possible environmental care, applying good labour standards and considering the governance impacts in every decision that is made.

In the development and management of its activities and as part of its wider commitment to respect internationally recognized human rights in line with the UN Guiding Principles on Business and Human Rights and to promote sustainable development, OCP Group recognises the importance of being in dialogue with and respecting the rights and expectations of the communities in which it operates.

This policy aims to:

- Conduct OCP Group's operations in a way that they respect the dignity, rights, aspirations, culture and natural-resource based livelihoods of the local communities where OCP Group operates.
- Consult with local communities and their representatives where OCP Group's operates when taking decisions that may directly affect them with the objective of finding common approaches and incorporating their perspectives in the company decision-making, striving for shared value.
- Foster opportunities for local communities where OCP Group operates to appropriately participate in the benefits of the company's activities.
- Create a lasting relationship of trust with local communities, based on effective communication channels, and promotes the generation of local value.

This Responsible Local Communities Relations Policy is an integral part of OCP's comprehensive responsibility philosophy, comprising all policies and guidelines, and further develops the commitments related to our relations with local communities. For more information on these issues, please see OCP Group's Community Engagement Policy, publicly available on our website.

In addition, it is aligned with the 2030 Agenda for Sustainable Development Goals – specifically with Goal 1: “End poverty in all its forms everywhere”, Goal 4: “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all”, Goal 8: “Promote inclusive and sustainable economic growth, employment and decent work for all”, and Goal 11: “Make cities and human settlements inclusive, safe, resilient and sustainable”.

For more information about OCP Group's general commitment to human rights, please see our General Human Rights Policy



II. SCOPE

This policy applies to all OCP Group and affiliates' managed operations from extraction to washing, transport, processing and ports. Where OCP Group does not manage and possess direct responsibility, but is rather linked to an activity through its business relationship, it shall seek to influence the risks and impacts management as well as the realization of potential benefits in accordance with this policy.

III. COMMITMENTS

OCP Group is committed to:

3.1. LAND ACQUISITION :

- Ensure that the rights and needs of landowners and local communities are fairly assessed and properly addressed prior to any activities involving land acquisition and resettlement.
- Guarantee that land acquisition is conducted in compliance with applicable laws, regulations, and international best practices.

For more information on OCP's commitment responsible land use, please see its Land Use Policy, publicly available on our website.

3.2. ENVIRONMENT, HEALTH & SAFETY

OCP Group is committed to:

3.2.1. ENVIRONMENT

- Comply with all relevant environmental laws and regulations, and company commitments, in particular those described in the General Environmental Management policy and related policies.
- Avoid or, where necessary, minimize the potential for community exposure to hazardous materials and substances that may be released. Implement environmental management systems including ISO 14001 certification for all industrial facilities.
- As far as possible avoid, and where necessary effectively mitigate, adverse impacts on ecosystem services.
- Continuously improve its environmental performance, taking advantage of systematic risk assessment and monitoring, as well as aiming at pollution prevention.
- Develop, improve and apply low impact environmental production methods, benefitting from locally available raw materials.
- Develop and manufacture environmentally friendly products.
- Efficiently use natural resources, energy and land.
- Manage and reduce the emissions footprint.
- Pursue and support efforts aimed at land reclamation, rehabilitation, and forestation, including the recovery, storage, and reuse of topsoil for re-planting of diverse trees and species, on the basis of agricultural experimentation, for the long-term future benefit of local communities.



- Integrate its employees' commitments and responsibility to the Group environmental performance.
- Integrate its suppliers and contractors' awareness and responsibility to the Group environmental requirements set out in the Responsible Procurement Policy.

For more information on these issues, please see the General Environmental Management Policy and all its Operational Policies, the Supplier Code of Conduct and the Responsible Procurement Policy, publicly available on our website.

3.2.2. HEALTH & SAFETY

- Ensure that all significant OCP Group sites regularly conduct a comprehensive and transparent environmental and health and safety risk assessment.
- Protect the health and safety of local communities from potential negative impacts of the company activities through the implementation of the General Environmental Management Policy.
- Guarantee access to basic services such as energy, water and education, in case local communities need to be relocated.
- Prevent any safety incidents and/or accidents near its sites.
- Assist and collaborate with local communities, local government agencies, and other relevant parties in their preparations to respond effectively to emergency situations, especially when their participation and collaboration are necessary to respond to such emergency situations.
- Guarantee responsible security practices aligned with the Voluntary Principles on Security and Human Rights.

For more information on these issues, please see the Occupational Health & Safety Policy, publicly available on our website.

3.3. CONSULTATION & GRIEVANCE MECHANISMS

- Engage with local communities and relevant related stakeholders where OCP Group operates, including legitimate non-governmental organisations, local authorities, and identified vulnerable groups, among others.
- Comply with all applicable local laws and regulations on stakeholder engagement and community consultation.
- Establish Association Forums, regular meetings with residents and Thematic Forums.
- Develop external stakeholder organizational charts for each significant operational site.
- Refining sustainable development actions and materiality outcomes through consultations with communities near OCP sites.
- Strengthen the understanding of the company's relevant stakeholders and their concerns.
- Undertake regular stakeholder and issue prioritisation and integrate the information into company decision-making processes.
- Have a dedicated, regular and inclusive programme for engaging local communities and relevant related stakeholders where OCP Group operates in a culturally appropriate manner, utilizing in particular OCP's Foundations and Act4Community.
- Regularly publish an overview of the stakeholder engagement programme outcomes and disseminate company information in a format and language(s) that are accessible to stakeholders.
- Develop communication channels that strengthen relations with stakeholders.



- Organise meetings with local communities, lead by the local operational manager, in case of conflict.
- Maintain accessible and effective grievance mechanisms to handle complaints on company activities made by OCP Group's stakeholders, in a systematic, fair and standardised way, including through operational sites and the Ombudsman Office.
- Ensure that stakeholders are well informed of the existence of these grievance mechanisms and how to access them.
- Ensure that the complainant, or any person associated with the complaint can seek redress with a guarantee of protection from harassment, prosecution or any other form of reprisal or retaliation.
- Analyze, expand and adapt grievance mechanism systems to the needs of potentially impacted rights holders, as part of the specific functional area actions plans.

3.4. LOCAL DEVELOPMENT

- Deliver fair, transparent and efficient community investment that equitably improves the quality of life aligned with OCP Group's principle of shared value.
- Focus on local empowerment.
- Target activities via a thorough and publicly disclosed process of needs identification, internal and external consultation, and selection requirements.
- Measure and publicly disclose the impacts and results of community investment and development activities, including, but not limited to, the efforts of OCP Group's Foundations and Act4Community.

IV. IMPLEMENTATION

OCP Group will transversally engage the relevant departments to ensure the implementation of these commitments and to communicate this policy to its employees and external stakeholders, including:

- The environment department.
- The procurement department.
- The Act4Community network and Foundations. For more information on this matter, please see the Community Engagement Policy. Publicly available in: <https://www.ocpgroup.ma/en/sustainability/policies-and-standards>.

Alongside this Policy, OCP Group has defined a progress roadmap focused on the most salient human rights related to local communities affected by its operations.

V. GOVERNANCE

The responsibility of this policy lies under the ESG / Ethics committee that reports at least twice a year to the Board of Directors / Chief Executive Officer.



VI. COMPLIANCE AND MONITORING

With the aim of identifying, preventing, mitigating and responding to potential negative consequence regarding responsible local communities' relations, and since risks associated to it may change over time, OCP Group commits to conduct an ongoing process of due diligence and risks identification regarding the sustainability issues hereinbefore expressed in this policy.

VII. REPORTING

For more information on OCP Group's approach to responsible local community relations, please consult OCP Group Sustainability report available on our website:

For consulting all the above-mentioned policies, please visit OCP Group's the sustainability section on our website.

VIII. REVIEW

OCP Group will periodically review this policy to evaluate its relevance, to monitor compliance and to drive continuous improvement. OCP Group welcomes feedback and encourages dialogue with any interested party. All feedback and comments on this policy should be sent to sustainability@ocpgroup.ma.