

## UN Global Compact Communication on Progress 2011

### About Holcim

Holcim is one of the world's leading suppliers of cement and aggregates (crushed stone, gravel and sand), as well as further activities such as ready-mix concrete and asphalt including services. The Group has majority and minority holdings in around 70 countries across all continents.

Holcim has been a member of the UN Global Compact since 2003 and reports yearly on progress made in implementing the ten principles of the UN Global Compact. This Communication on Progress refers to 2011 data and performance information which has been published in Holcim's Corporate Sustainable Development Report 2011 and updated on Holcim's website in June 2012.

### Statement of Support from CEO Bernard Fontana:

"Holcim continues to participate in the UN Global Compact and remains committed to its philosophy, intent and principles. To strengthen our adherence to the Compact, the relevant principles were referenced and are reflected in a new Directive on the use of contract labor issued in January 2012, which is binding on all Holcim Group companies. The principles also provided the foundation for the Holcim Supplier Code of Conduct issued in 2011.

At local level, Holcim has been elected in 2011 to the board of the Swiss Global Compact network and remains involved in the local networks in many other countries where Holcim operates."

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
Strategy, Governance and Engagement	Description of Holcim's commitment	
1. C-suite and Board level discussions of <b>strategic aspects</b> of Global Compact implementation		
<ul style="list-style-type: none"> <li>Impact of broader sustainability trends on the long-term prospects and financial performance of the organization</li> </ul>	Holcim is committed to creating value for all its stakeholders and has placed sustainable development at the heart of its business strategy.	<ul style="list-style-type: none"> <li><a href="#">CEO and Chairman Statement in the Annual Report. (See page 10)</a></li> <li><a href="#">Chairman statement and CEO interview in CSDR 2011(See pages 3 to 5)</a></li> <li><a href="#">Business Risk section in the Annual Report. (See pages 42 and 127)</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
		<ul style="list-style-type: none"> <li>• <a href="#">SD materiality review in the CSDR and online</a></li> </ul>
<ul style="list-style-type: none"> <li>• Major sustainability risks and opportunities in the near to medium term (3-5 years)</li> </ul>	<p>Holcim has a well-embedded business risk management process for identifying risks at both corporate and Group company level. Since 2007, a materiality review has been implemented to ensure the identification of sustainability risks and opportunities.</p>	<ul style="list-style-type: none"> <li>• <a href="#">SD materiality review in the CSDR and online</a></li> </ul>
<ul style="list-style-type: none"> <li>• Social and environmental impact of the organization's activities</li> </ul>	<p>The most important contribution to sustainable development is through products and services. The current SD priorities of Holcim are:</p> <ul style="list-style-type: none"> <li>• sustainable products and sustainable construction</li> <li>• energy and climate</li> <li>• resources conservation</li> <li>• social engagement</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">CEO and Chairman Statement in the Annual Report. (See page 10)</a></li> <li>• <a href="#">SD materiality review in the CSDR and online</a></li> </ul>
<ul style="list-style-type: none"> <li>• Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term</li> </ul>	<p>Holcim has a well-embedded business risk management process for identifying risks at both corporate and Group company level. Sustainability impacts, risks and opportunities are included in the remit of the risk management process.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Vision and strategy section of the SD Website and CSDR</a></li> <li>• <a href="#">Business Risk section in the Annual Report. (See pages 42 and 127)</a></li> <li>• <a href="#">SD materiality review in the CSDR and online</a></li> </ul>
<ul style="list-style-type: none"> <li>• Key performance indicators to measure progress</li> </ul>	<p>Sustainable development data and performance information is updated on a yearly basis on Holcim's website.</p>	<ul style="list-style-type: none"> <li>• <a href="#">SD Performance Data included in the CSDR 2011. (Pages 30 to 35)</a></li> </ul>
<ul style="list-style-type: none"> <li>• Major successes and failures during the reporting period</li> </ul>	<p>See link.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Sustainable Development section in the Annual Report. (See page 53)</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
2. Effective <b>decision-making process and systems of governance</b> for corporate sustainability		
<ul style="list-style-type: none"> <li>• Involvement and accountability of management (C-suite) in corporate sustainability strategy and implementation in line with Global Compact principles</li> <li>• Corporate governance structure (Board of Directors or equivalent) and its role in oversight of corporate sustainability implementation in line with Global Compact principles</li> </ul>	A steering group for SD operates as a sub-committee of the Executive Committee and includes the CEO, two other Exco member and the head of sustainable development	<ul style="list-style-type: none"> <li>• <a href="#">Embedding our commitments, CSDR 2011, Page 7</a></li> <li>• <a href="#">Organization and Management section in the Annual Report. (See page 39)</a></li> </ul>
<ul style="list-style-type: none"> <li>• Evaluation and executive incentive structures promoting sustainability strategy in line with Global Compact principles</li> </ul>	For the most senior executives a standard variable compensation system is in place. SD indicators form an integral part.	<ul style="list-style-type: none"> <li>• <a href="#">Human Resources section in the Annual Report. (See page 58)</a></li> </ul>
3. <b>Engagement</b> with all important stakeholders		
<ul style="list-style-type: none"> <li>• List of stakeholder groups engaged by the organization</li> </ul>	Key stakeholders are included on our website. We have an independent expert panel of stakeholders who review our materiality process and give recommendations in our report.	<ul style="list-style-type: none"> <li>• <a href="#">See “stakeholder” section on our website</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>• Process for stakeholder identification and engagement</li> </ul>	At Holcim, developing and maintaining strong relationships with its stakeholders is vital to the success of its business. Holcim is committed to a continuous process of listening to, and learning from, people and organizations engaged with its operations around the world.	<ul style="list-style-type: none"> <li>• <a href="#">See “stakeholder” section on our website</a></li> </ul>
<ul style="list-style-type: none"> <li>• Outcome of stakeholder involvement</li> </ul>	Holcim remains committed to ongoing consultation with a broad range of stakeholders, as demonstrated by the fact that 61% of Group companies have a community advisory panel in place and 84% conducted a stakeholder dialog in 2011.	<ul style="list-style-type: none"> <li>• <a href="#">See “stakeholder” section on our website</a></li> </ul>
<ul style="list-style-type: none"> <li>• Process of incorporating stakeholder input into corporate strategy and business decision-making</li> </ul>	For example an External Report Review Panel has been asked to give feedback to Holcim’s SD materiality review.	<ul style="list-style-type: none"> <li>• <a href="#">See “stakeholder” section on our website</a> and</li> <li>• <a href="#">Stakeholder Panel Statement and response in the 2011 CSDR, page 38</a></li> </ul>
<b>UN Goals and Issues</b>		
<b>4. Actions taken in support of broader UN goals and issues</b>		
<ul style="list-style-type: none"> <li>• Adoption or modification of business strategy and operating procedures to maximize contribution to UN goals and issues</li> </ul>	Holcim is committed to creating value for all its stakeholders. Sustainable development has been placed at the heart of the business strategy for many years, as it contributes to adding value and ensuring continued success.	<ul style="list-style-type: none"> <li>• <a href="#">Vision and Strategy section in the CSDR 2011</a></li> <li>• <a href="#">Innovation Section of the Annual report 2011 (Page 46)</a></li> </ul>
<ul style="list-style-type: none"> <li>• Development of products, services and business models that contribute to UN goals and issues</li> </ul>	As a major player in the industry, Holcim has a role to contribute to sustainable products and building techniques through product and process innovation.	<ul style="list-style-type: none"> <li>• <a href="#">Sustainable Solutions and Construction chapter in the 2011 CSDR (Page 10)</a></li> <li>• <a href="#">Innovation Section of the Annual report</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
		<p><a href="#">2011 (Page 46)</a></p> <ul style="list-style-type: none"> <li>• <a href="#">Affordable housing case studies in CSDR (Page 27)</a></li> <li>• <a href="#">Foundation for Sustainable Construction</a></li> </ul>
<ul style="list-style-type: none"> <li>• Social investments and philanthropic contributions that tie in with the organization's core competencies, operating context and strategy</li> </ul>	<p>Holcim aims to link its CSR engagement with its business activities. Group companies focus on projects in collaboration with stakeholders where the expertise can contribute to achieving greater impacts. Engagement areas include education provision, infrastructure building and sustainable community development. A Creating Shared Value (CSV) initiative, aiming at identifying projects that address a social problem and create a business return, has been kicked off in Asia in 2012.</p>	<ul style="list-style-type: none"> <li>• <a href="#">See the Social Engagement pages of the 2011 CSDR, (Pages 25 to 29)</a></li> </ul>
<ul style="list-style-type: none"> <li>• Public advocacy on the importance of one or more UN goals and issues</li> </ul>	<p>Holcim constructively contributes to the climate change policy debate to develop effective regulatory incentives to improve energy efficiency and CO<sub>2</sub> intensity.</p>	<ul style="list-style-type: none"> <li>• <a href="#">More information on Holcim's position on climate change.</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>Partnership projects and collective actions in support of UN goals and issues</li> </ul>	<p>Holcim has a number of corporate strategic partnerships with GIZ; ICRC; IUCN; WBCSD and UNGC. Furthermore operating companies engage in many local partnerships</p>	<p>Links:</p> <ul style="list-style-type: none"> <li><a href="#">GIZ;</a></li> <li><a href="#">ICRC;</a></li> <li><a href="#">IUCN;</a></li> <li><a href="#">WBCSD &amp; CSI;</a></li> <li><a href="#">UNGC</a></li> <li><a href="#">List of partnerships on our website</a></li> </ul>
Human Rights Implementation		
5. Robust commitments, strategies and policies in the area of human rights		
<ul style="list-style-type: none"> <li>Reference to relevant international conventions and other international instruments</li> <li>Written company policy (e.g. in the code of conduct) on human rights</li> </ul>	<p>Holcim's commitment to human rights is part of our CSR policy and reflected in our participation in the UN Global Compact.</p>	<ul style="list-style-type: none"> <li><a href="#">Link to Holcim CSR Policy (Refers to the Universal Declaration of Human Rights)</a></li> </ul>
<ul style="list-style-type: none"> <li>Reflection on the relevance of human rights for the company</li> </ul>	<p>Human rights have been identified as an important issue in the SD materiality review.</p>	<ul style="list-style-type: none"> <li><a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>Allocation of responsibilities and accountabilities within the organization</li> </ul>	Human rights management is coordinated by the social responsibility department in collaboration with the risk management unit and other relevant functions such as Human Resources and Procurement.	
6. Effective management systems to integrate human rights principles		
<ul style="list-style-type: none"> <li>Risk and impact assessments in the area of human rights</li> </ul>	<p>Human Rights are part of Holcim's risk management system: In addition, specific assessments are conducted in countries where HR issues arise.</p> <p>Holcim is currently developing a Group-wide human rights management system in line with John Ruggie's Guiding Principles. A human rights risk mapping at Group level as well as in-depth human rights impact assessments have been conducted in selected higher-risk countries in 2011 and 2012. Holcim is furthermore part of the pilot group of companies that is testing the UNGC / PRI "Guidance on responsible business in conflict-affected and high-risk areas."</p>	
<ul style="list-style-type: none"> <li>Regular stakeholder consultations in the area of human rights</li> </ul>	The Holcim External Report Review Panel has identified human rights as an issue of high importance in Holcim's SD materiality review. In addition, 13% of Group companies report conducting specific stakeholder dialogue on human rights related issues.	<ul style="list-style-type: none"> <li><a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>
<ul style="list-style-type: none"> <li>Internal awareness-raising and training on human rights for management and employees</li> </ul>	43% of Group companies report including equal opportunity issues in training programs, while 31% of Group companies report covering human rights in	<ul style="list-style-type: none"> <li><a href="#">Section on Human Rights, CSDR 2011, page 29</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice</li> </ul>	<p>employee training.</p> <p>86% of Group companies report having systems to collect and handle employee grievances and complaints, and 65% report having arrangements for submitting complaints and/or grievances anonymously. Furthermore, 23% report having specific committees in place to deal with human rights disputes.</p>	<ul style="list-style-type: none"> <li><a href="#">Section on “Our People” in CSDR 2011, page 22</a></li> </ul>



<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>• Inclusion of minimum human rights standards in contracts with suppliers and other relevant business partners</li> <li>• Audits or other steps to monitor and improve the human rights performance of companies in the supply chain</li> </ul>	<p>Holcim is implementing a Sustainable Procurement Initiative. A Supplier Code of Conduct has already been published and communicated to suppliers and a methodology for identifying and assessing critical suppliers against SD criteria, including the aspects covered by the UNGC has been developed and is currently being rolled out.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Supplier screening data in the performance data tables of the 2011 CSDR, page 30</a></li> </ul>
<p>7. Effective monitoring and evaluation mechanisms of human rights integration</p>		
<ul style="list-style-type: none"> <li>• System to track and measure performance based on standardized performance metrics</li> </ul>	<p>Holcim is currently developing a Group-wide human rights management system in line with John Ruggie's Guiding Principles that includes comprehensive issue monitoring. Indicators are based on the Danish Institute's Human Rights Compliance Assessment Quick Check. A human rights risk mapping at Group level as well as in-depth human rights impact assessments in selected countries have been conducted in 2011 and 2012. Tracking and monitoring performance is part of this system.</p> <p>Holcim furthermore monitors its impacts through continuous stakeholder engagement that includes Community Advisory Panels and regular needs assessments.</p>	
<ul style="list-style-type: none"> <li>• Leadership review of monitoring and improvement results</li> </ul>	<p>Group company leadership monitors performance and improvement results as part of the annual business planning and risk management cycle. In addition, results of human rights impact assessments are reviewed by top management and corresponding actions defined.</p>	

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>• Process to deal with incidents</li> </ul>	<p>All Holcim Group companies are required to have Community Engagement Plans that includes the establishment of Community Advisory Panels where appropriate. The Sustainable Development function at corporate level supports Group companies in addressing potential challenges with site visits, stakeholder engagement activities, cooperation with global and local expert organizations, workshops and training.</p>	
8. Standardized performance indicators (including GRI) on human rights		
<ul style="list-style-type: none"> <li>• Outcomes of risk and impact assessments</li> </ul>	<p>Holcim is currently developing a Group-wide human rights management system that includes human rights impact assessments in selected countries of operation. The assessment process includes the development of an action plan to address identified risks, if applicable, which includes clearly defined timelines and responsibilities. Progress is monitored and reported at local and corporate levels.</p>	
<ul style="list-style-type: none"> <li>• Outcomes of internal awareness raising and training efforts</li> </ul>	<p>43% of Group companies report including equal opportunity issues in training programs, while 31% of Group companies report covering human rights in employee training.</p>	
<ul style="list-style-type: none"> <li>• Outcomes of mechanisms for reporting concerns or seeking advice</li> </ul>	<p>The share of Group companies reporting having anonymous procedures for submitting complaints or grievances increased in the reporting period (2011: 86%; 2010: 76%). Additionally, 23% of Group companies report having special committees responsible for hearing, processing and settling disputes related to human rights issues in place.</p>	

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>Percentage of contracts with business partners guaranteeing minimum human rights standards</li> </ul>	<p>29% of Group companies report screening all major investments for human rights-related risks and 33% of Group companies report specifically screening investments where a risk has been identified. A Supplier Code of Conduct has been implemented in the context of Holcim's Sustainable Procurement Initiative. Templates for contractual agreements with suppliers cover UNGC principles.</p>	
<ul style="list-style-type: none"> <li>Outcome of audits or other steps to monitor and improve performance in the supply chain</li> </ul>	<p>Holcim is implementing a Sustainable Procurement Initiative. A Supplier Code of Conduct has already been published and communicated to suppliers and a methodology for identifying and assessing critical suppliers against SD criteria, including the aspects covered by the UNGC has been developed and is currently being rolled out.</p>	<ul style="list-style-type: none"> <li><a href="#">Supplier screening data in the performance data tables of the 2011 CSDR, page 30</a></li> </ul>
<b>Labour Principles Implementation</b>		
9. Robust commitments, strategies or policies in the area of labour		
<ul style="list-style-type: none"> <li>Reference to relevant international conventions and other international instruments (eg. ILO Core Conventions) &amp; written company policy on labour</li> </ul>	<p>Holcim's commitment to employment practices is part of its CSR policy and reflected in its participation in the UN Global Compact. In order to formalize this commitment, Holcim has issued a Contract Workers Directive in 2012, which addresses all the areas covered by the ILO Core Conventions.</p>	<ul style="list-style-type: none"> <li><a href="#">Link to Holcim CSR Policy (Refers to the Universal Declaration of Human Rights)</a></li> </ul>
<ul style="list-style-type: none"> <li>Reflection on the relevance of the labour principles in the company</li> </ul>	<p>Employment practices have been identified as an important issue in the SD materiality review.</p>	<ul style="list-style-type: none"> <li><a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>
<ul style="list-style-type: none"> <li>Allocation of responsibilities and accountability within the organization</li> </ul>	<p>Responsibility and accountability for labor rights lies with the human resources department of Holcim and the operating companies, in coordination with the Social Responsibility department of the SD function.</p>	

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
10. Effective management systems to integrate the labour principles		
<ul style="list-style-type: none"> <li>Risk and impact assessments in the area of labour</li> </ul>	Employment practices have been identified as an important issue in the SD materiality review.	<ul style="list-style-type: none"> <li><a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>
<ul style="list-style-type: none"> <li>Regular stakeholder consultations in the area of labour</li> </ul>	The Holcim External Report Review Panel has identified employment practices as an issue of high importance in Holcim's SD materiality review.	<ul style="list-style-type: none"> <li><a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>
<ul style="list-style-type: none"> <li>Internal awareness-raising and training on the labour principles for management and employees</li> </ul>	Holcim is committed to providing equal opportunities for all its employees and works on strengthening a culture of mutual respect, trust and openness.	<ul style="list-style-type: none"> <li><a href="#">Section on "Our People" in CSDR 2011, page 22</a></li> </ul>
<ul style="list-style-type: none"> <li>Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice</li> </ul>	<p>86% of Group companies report having systems to collect and handle employee grievances and complaints, and 65% report having arrangements for submitting complaints and/or grievances anonymously. In January 2012, we issued a new anti- bribery and corruption directive as part of our company Code of Conduct.</p> <p>Through the adoption of the Anti-Bribery and Corruption Directive (ABCD) Holcim has mandated that each Holcim Group Company adopt a whistle-blowing system (WBS) in the event it does not already have one in place. Guidance has been issued to Group Companies to assist them in implementing a new WBS or in measuring existing WBS systems.</p> <p>Three Group companies reported incidents of discrimination in 2011, which were dealt with in accordance with the Holcim Code of Conduct.</p>	<ul style="list-style-type: none"> <li><a href="#">Section on "Our People" in CSDR 2011, page 22</a></li> </ul>
<ul style="list-style-type: none"> <li>Inclusion of minimum labour standards in contracts with</li> </ul>	Holcim is implementing a Sustainable Procurement Initiative. A Supplier Code of Conduct has already	<ul style="list-style-type: none"> <li><a href="#">Supplier screening data in the performance data tables of the 2011</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
suppliers and other relevant business partners <ul style="list-style-type: none"> <li>• Audits or other steps to monitor and improve the labour performance of companies in the supply chain</li> </ul>	been published and communicated to suppliers and a methodology for identifying and assessing critical suppliers against SD criteria, including the aspects covered by the UNGC has been developed and is currently being rolled out. Templates for contractual agreements with suppliers cover UNGC principles.	<a href="#">CSDR, page 30</a>
Environmental Stewardship Implementation		
11. Robust commitments, strategies or policies in the area of environmental stewardship		
<ul style="list-style-type: none"> <li>• Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)</li> </ul>	Holcim's commitment to sustainable development is part of its mission statement and is further demonstrated by its membership in the World Business Council for Sustainable Development and its participation in the UN Global Compact	<ul style="list-style-type: none"> <li>• <a href="#">Link to environment policy on Holcim website</a></li> </ul>
<ul style="list-style-type: none"> <li>• Reflection on relevance of environmental stewardship for the company</li> <li>• Written company policy on environmental policy</li> </ul>	Holcim is committed to continuously improve its environmental performance and provide positive contributions to its business and to society.	<ul style="list-style-type: none"> <li>• <a href="#">Link to environment policy on Holcim website</a></li> <li>• <a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>
<ul style="list-style-type: none"> <li>• Allocation of responsibilities and accountability within the organization</li> </ul>	Environmental stewardship is part of the climate change, environment, alternative resources and environmental relations functions with the Holcim SD department	<ul style="list-style-type: none"> <li>• <a href="#">Embedding our commitments, CSDR 2011, Page 7</a></li> </ul>
<ul style="list-style-type: none"> <li>• Specific commitments and goals for specified years</li> </ul>	All environmental commitments and targets are listed in the progress towards targets.	<ul style="list-style-type: none"> <li>• <a href="#">Progress towards targets - CSDR 2011 – see page 2</a></li> </ul>
12. Effective management systems to integrate the environmental principles		

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>Environmental risk and impact assessments</li> </ul>	CO2 and energy, eco-efficient products, atmospheric emissions, resources management and biodiversity have been identified of high importance and waste and transport as well as water as of medium importance in the SD materiality review.	<ul style="list-style-type: none"> <li><a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>
<ul style="list-style-type: none"> <li>Regular stakeholder consultations on environmental impact</li> </ul>	Holcim is committed to a continuous process of listening to, and learning from, people and organizations on its environmental impact around the world. This is done through the WBCSD or IUCN's independent expert panel etc.	<p>In our <a href="#">CSDR</a> please see:</p> <ul style="list-style-type: none"> <li>External panel role – page 9</li> <li>External panel statement - page 38</li> </ul> <p><a href="#">See also our website section on stakeholders</a></p>
<ul style="list-style-type: none"> <li>Internal awareness-raising and training on environmental stewardship for management and employees</li> </ul>	Internal awareness-raising and training on environmental stewardship for management is part of internal communication and Holcim's training activities. Sustainable Development topics, including environmental aspects are covered in all our leadership training courses.	<ul style="list-style-type: none"> <li><a href="#">Section on "Our People" in CSDR 2011, page 22</a></li> </ul>
<ul style="list-style-type: none"> <li>Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts</li> </ul>	86% of Group companies have systems to collect and handle employee grievances and complaints, and 65% have arrangements for submitting complaints and/or grievances anonymously.	<ul style="list-style-type: none"> <li><a href="#">Section on "Our People" in CSDR 2011, page 22</a></li> </ul>
<ul style="list-style-type: none"> <li>Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners</li> </ul>	91% of Holcim Group companies screen local suppliers ensuring that they have an environmental management system in place.	<ul style="list-style-type: none"> <li><a href="#">Supplier screening data in the performance data tables of the 2011 CSDR, page 30</a></li> </ul>
<ul style="list-style-type: none"> <li>Audits or other steps to monitor and</li> </ul>	Holcim is implementing a Sustainable Procurement	

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
improve the environmental performance of companies in the supply chain	Initiative. A Supplier Code of Conduct has already been published and communicated to suppliers and a methodology for identifying and assessing critical suppliers against SD criteria, including the aspects covered by the UNGC is being developed. The development process involved internal workshops and interviews with selected external stakeholders.	
13. Effective monitoring and evaluation mechanisms for environmental stewardship		
<ul style="list-style-type: none"> <li>System to track and measure performance based on standardized performance metrics</li> </ul>	<p>The Plant Environmental Profile self-assessment questionnaire is the source of performance information and data to all other environmental impacts of the cement, aggregates and ready-mix concrete business segments.</p> <p>Consolidation of CO2 and energy data is consistent with the WBCSD/WRI cement CO2 protocol.</p>	<ul style="list-style-type: none"> <li><a href="#">CSDR 2011 Methodology section – page 36</a></li> </ul>
<ul style="list-style-type: none"> <li>Leadership review of monitoring and improvement results</li> </ul>	SD committees supports the overall decision-making process and propose key issues to the Executive Committee	<ul style="list-style-type: none"> <li><a href="#">Embedding our commitments, CSDR 2011, Page 7</a></li> </ul>
14. Standardized performance indicators (including GRI) on environmental stewardship	A comprehensive list of environmental indicators and Holcims performance against those indicators is available on our website. See link opposite. See also link to the Carbon Disclosure Project where Holcims submission may be downloaded.	<ul style="list-style-type: none"> <li><a href="#">SD Performance Data included in the CSDR 2011. (Pages 30 to 35)</a></li> <li><a href="#">Link to Carbon Disclosure Project</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>• Outcome of audits or other steps to monitor and improve performance in the supply chain</li> </ul>	Holcim is implementing a Sustainable Procurement Initiative. A Supplier Code of Conduct has already been published and communicated to suppliers and a methodology for identifying and assessing critical suppliers against SD criteria, including the aspects covered by the UNGC is being developed. The development process involved internal workshops and interviews with selected external stakeholders.	<ul style="list-style-type: none"> <li>• <a href="#">Supplier screening data in the performance data tables of the 2011 CSDR, page 30</a></li> </ul>
Anti-Corruption Implementation		
15. Robust commitment, strategies and policies in the area of anti-corruption		
<ul style="list-style-type: none"> <li>• Reference to relevant international conventions and other international instruments (e.g. UN Convention Against Corruption)</li> </ul>	Holcim applies the highest standards of business conduct. The Holcim Code of Conduct provides the guiding principles against which to make decisions. This commitment is further demonstrated by its membership in the World Business Council for Sustainable Development and its participation in the UN Global Compact.	<ul style="list-style-type: none"> <li>• <a href="#">Holcim Code of Conduct</a></li> </ul>
<ul style="list-style-type: none"> <li>• Reflection on relevance of anti-corruption for the company</li> <li>• Written company policy on anti-corruption (e.g. in code of conduct)</li> </ul>	Holcim applies high standards to corporate governance. Since 2004, binding for the entire group, the Code of Conduct defines Group-wide standards of business behavior expected of all staff.	<ul style="list-style-type: none"> <li>• <a href="#">Holcim Code of Conduct</a></li> <li>• <a href="#">See CSDR 2011, page 8 – “Operating with integrity”</a></li> </ul>
<ul style="list-style-type: none"> <li>• Allocation of responsibilities and accountability regarding corruption within the organization</li> </ul>	For information regarding the organization see: organization and management	<ul style="list-style-type: none"> <li>• <a href="#">Holcim website</a></li> </ul>
16. Effective management systems to integrate the anti-corruption principle		
<ul style="list-style-type: none"> <li>• Risk and impact assessments in the area of anti-corruption</li> </ul>	Corporate governance has been identified as an issue of high importance in business risk management and in the SD materiality review	<ul style="list-style-type: none"> <li>• <a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>



<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
<ul style="list-style-type: none"> <li>Regular stakeholder consultations in the area of anti-corruption</li> </ul>	The Holcim External Report Review Panel has identified employment practices as an issue of high importance in Holcim's SD materiality review.	<ul style="list-style-type: none"> <li><a href="#">SD materiality review in the CSDR 2011, page 9</a></li> </ul>
<ul style="list-style-type: none"> <li>Internal awareness-raising and training on anti-corruption efforts for management and employees</li> </ul>	Holcim has introduced a centrally coordinate training program in this area.	<ul style="list-style-type: none"> <li><a href="#">See CSDR 2011, page 8 – “Operating with integrity”</a></li> </ul>
<ul style="list-style-type: none"> <li>Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice on corruption</li> </ul>	86% of Group companies report having systems to collect and handle employee grievances and complaints, and 65% report having arrangements for submitting complaints and/or grievances anonymously.	
<ul style="list-style-type: none"> <li>Inclusion of minimum anti-corruption standards in contracts with suppliers and other relevant business partners</li> <li>Audits or other steps to monitor corruption and improve the performance of companies in the supply chain</li> </ul>	Holcim is implementing a Sustainable Procurement Initiative. A Supplier Code of Conduct has already been published and communicated to suppliers and a methodology for identifying and assessing critical suppliers against SD criteria, including the aspects covered by the UNGC is being developed. The development process involved internal workshops and interviews with selected external stakeholders.	<ul style="list-style-type: none"> <li><a href="#">Supplier screening data in the performance data tables of the 2011 CSDR, page 30</a></li> </ul>
17. Effective monitoring and evaluation mechanisms for the integration of anti-corruption	The Holcim Code of Conduct covers all aspects of our operations, including specific provisions on bribery and corruption. Group companies are responsible for ensuring that their managers and employees are aware of their responsibilities under the code and for implementing appropriate measures. These include training and information sessions, integration of the code provision into contracts and a requirement for employees to sign the code.	<ul style="list-style-type: none"> <li><a href="#">Holcim Code of Conduct</a></li> </ul>
<ul style="list-style-type: none"> <li>Process to deal with incidents</li> </ul>	The code is very clear – violations will not be tolerated. Non compliance with the code may be	

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
	subject to disciplinary sanctions including termination of employment; and this is explicitly stated within the code.	
18. Standardized performance indicators (including GRI) on anti-corruption	See link to GRI content index opposite which contains a comprehensive list of GRI indicators.	<ul style="list-style-type: none"> <li>• <a href="#">GRI content index.</a></li> </ul>
Value Chain Implementation		<ul style="list-style-type: none"> <li>•</li> </ul>
19. Implementation of the Global Compact principles in the value chain	Holcim is implementing a Sustainable Procurement Initiative. A Supplier Code of Conduct has already been published and communicated to suppliers and a methodology for identifying and assessing critical suppliers against SD criteria, including the aspects covered by the UNGC has been developed and is currently being rolled out.	<ul style="list-style-type: none"> <li>• <a href="#">Supplier screening data in the performance data tables of the 2011 CSDR, page 30</a></li> </ul>
<ul style="list-style-type: none"> <li>• Audits/screening for compliance in the value chain</li> </ul>	See link opposite	<ul style="list-style-type: none"> <li>• <a href="#">Supplier screening data on the Holcim website</a></li> </ul>
Transparency and Verification		
20. Information on the company's profile and context of operation		
<ul style="list-style-type: none"> <li>• Legal structure, including any group structure or ownership</li> </ul>	See link	<ul style="list-style-type: none"> <li>• <a href="#">Corporate Governance section in the Annual Report. (See page 121)</a></li> </ul>
<ul style="list-style-type: none"> <li>• Countries where the organization operates, with either major operations or operations that are specifically relevant to sustainability</li> </ul>	See link	<ul style="list-style-type: none"> <li>• <a href="#">Link to Annual Report. (See page 229)</a></li> </ul>
<ul style="list-style-type: none"> <li>• Markets served (including geographic breakdown, sectors served, and types of</li> </ul>	See link	<ul style="list-style-type: none"> <li>• <a href="#">Link to Annual Report. (See page 7 and also business reviews pages 83 -103)</a></li> </ul>

<b>Criteria</b>	<b>Holcim commitment</b>	<b>Links</b>
customers/beneficiaries)		
<ul style="list-style-type: none"> <li>Primary brands, products, and/or services</li> </ul>	See link	<ul style="list-style-type: none"> <li><a href="#">Link to Annual Report. (See page 8)</a></li> </ul>
<ul style="list-style-type: none"> <li>Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.)</li> </ul>	See link	<ul style="list-style-type: none"> <li><a href="#">Link to Economic impact along the value chain graphic (value chain) on the Holcim website</a></li> </ul>
21. High standards of transparency and disclosure		
<ul style="list-style-type: none"> <li>COP uses the Global Reporting Initiative Sustainability Reporting Guidelines</li> </ul>	Yes – See link	<ul style="list-style-type: none"> <li><a href="#">GRI content index.</a></li> </ul>
<ul style="list-style-type: none"> <li>COP qualifies for Level A+ of the GRI application levels</li> </ul>	CSDR 2009	<ul style="list-style-type: none"> <li><a href="#">CSDR</a></li> </ul>
<ul style="list-style-type: none"> <li>COP includes comparison of key performance indicators for the previous 2-3 years</li> </ul>	Yes – See link	<ul style="list-style-type: none"> <li><a href="#">SD Performance Data included in the CSDR 2011. (Pages 30 to 35)</a></li> </ul>
22. Independently verified by a credible third party		
<ul style="list-style-type: none"> <li>Independently verified against assurance standard (e.g. AA1000 Assurance Standard, ISAE 3000)</li> </ul>	Yes – See link	<ul style="list-style-type: none"> <li><a href="#">CSDR</a> (see assurance statements, page 37 and 38)</li> </ul>
<ul style="list-style-type: none"> <li>Verified by independent auditors</li> </ul>	Yes – See link	<ul style="list-style-type: none"> <li><a href="#">CSDR</a> (see assurance statements, page 37 and 38)</li> </ul>
<ul style="list-style-type: none"> <li>Reviewed by a multi-stakeholder panel</li> </ul>	Yes – See link	<ul style="list-style-type: none"> <li><a href="#">Information</a> on the panel – Holcim website</li> </ul>

