

UN Global Compact Communication on Progress 2013

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 2013 data and performance information which is included in the Holcim Corporate Sustainable Development Report 2013

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 is represented on the board of the Swiss Global Compact network and remains involved in the local networks in many other countries where Holcim operates.”

Criteria	Holcim commitment	Links
Strategy, Governance and Engagement	Description of Holcim's commitment	
1. C-suite and Board level discussions of strategic aspects of Global Compact implementation		
<ul style="list-style-type: none"> Impact of broader sustainability trends on the long-term prospects and financial performance of the organization 	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"> CEO and Chairman Statement in the 2013 Annual Report. (See page 14) CEO statement in the 2013 CSDR (see page 4) Exco Interview in 2013 annual Report (see

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		<ul style="list-style-type: none"> comment by Thomas Aebischer on pages 16 and 17) SD materiality review in the 2013 CSDR and online
<ul style="list-style-type: none"> Major sustainability risks and opportunities in the near to medium term (3-5 years) 	<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"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Social and environmental impact of the organization's activities 	<p>Holcim has recently announced the Holcim Sustainable Development Ambition 2030 where it outlines its long term strategy and intermediate goals. The overarching emphasis of the Ambition is to be part of the solution to the problems of our time. The Ambition focusses on:</p> <ul style="list-style-type: none"> Sustainability enhanced Solutions Climate Resources Communities 	<ul style="list-style-type: none"> See the Holcim Sustainable Development Ambition 2030 detailed on pages 6 to11 of the 2013 CSDR SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term 	<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"> Vision and strategy section of the 2013 CSDR (page 12) Business Risk section in the 2013 Annual Report. (See pages 48 and 120) SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Key performance indicators to measure 	<p>Sustainable development data and performance information is updated on a yearly basis in Holcim's</p>	<ul style="list-style-type: none"> SD Performance Data in the 2013 CSDR (page 38 onwards)

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progress	Sustainability Report	
<ul style="list-style-type: none"> Major successes and failures during the reporting period 	See link.	<ul style="list-style-type: none"> Sustainable Development section in the 2013 Annual Report. (See page 69) CEO statement in the 2013 CSDR (see page 4)
2. Effective decision-making process and systems of governance for corporate sustainability		
<ul style="list-style-type: none"> Involvement and accountability of management (C-suite) in corporate sustainability strategy and implementation in line with Global Compact principles Corporate governance structure (Board of Directors or equivalent) and its role in oversight of corporate sustainability implementation in line with Global Compact principles 	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"> Managing sustainable development, CSDR 2013, Page 13 Corporate Governance section in the Annual Report. (See page 113)
<ul style="list-style-type: none"> Evaluation and executive incentive structures promoting sustainability strategy in line with Global Compact principles 	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"> Remuneration section in the 2013 Annual Report. (See page134)

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3. Engagement with all important stakeholders		
<ul style="list-style-type: none"> List of stakeholder groups engaged by the organization 	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"> See “stakeholder” section on our website
<ul style="list-style-type: none"> Process for stakeholder identification and engagement 	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"> See “stakeholder” section on our website
<ul style="list-style-type: none"> Outcome of stakeholder involvement 	Holcim remains committed to ongoing consultation with a broad range of stakeholders, as demonstrated by the fact that 76% of Group companies have a community advisory panel in place and 76% conducted a stakeholder dialog in 2012.	<ul style="list-style-type: none"> See “stakeholder” section on our website SD Performance Data in the 2013 CSDR (page 38 onwards)
<ul style="list-style-type: none"> Process of incorporating stakeholder input into corporate strategy and business decision-making 	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"> See “stakeholder” section on our website and <ul style="list-style-type: none"> Stakeholder Panel Statement and response in the 2013 CSDR, page 48
UN Goals and Issues		
4. Actions taken in support of broader UN goals and issues		
<ul style="list-style-type: none"> Adoption or modification of business strategy and operating procedures to 	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	<ul style="list-style-type: none"> Vision and strategy section of the 2013 CSDR (page 12) Innovation Section of the Annual report 2013

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<p>maximize contribution to UN goals and issues</p>	<p>contributes to adding value and ensuring continued success.</p>	<p>(Page 52)</p> <ul style="list-style-type: none"> • See the Holcim Sustainable Development Ambition 2030 detailed on pages 6 to11 of the 2013 CSDR • Innovation chapter in the CSDR 2013 (page 22)
<ul style="list-style-type: none"> • Development of products, services and business models that contribute to UN goals and issues 	<p>As a major player in the industry, Holcim has a role to contribute to sustainable products and building techniques through product and process innovation.</p>	<ul style="list-style-type: none"> • Innovation chapter in the CSDR 2013 (page 22) • Innovation Section of the Annual report 2013 (Page 52) • See the Holcim Sustainable Development Ambition 2030 detailed on pages 6 to11 of the 2013 CSDR • Foundation for Sustainable Construction
<ul style="list-style-type: none"> • Social investments and philanthropic contributions that tie in with the organization's core competencies, operating context and strategy 	<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. An "Inclusive Business" initiative focusing on shelter and sanitation has been started. Furthermore, Holcim makes significant strategic Social Investments (detailed in the CSDR) in the communities in which we operate. All social investments made fall under the same scrutiny as projects.</p>	<ul style="list-style-type: none"> • See the "Relationships" pages of the 2013 CSDR, (Pages 31 to 34)
<ul style="list-style-type: none"> • Public advocacy on the importance of one or more UN goals and issues 	<p>Holcim constructively contributes to the climate change policy debate to develop effective regulatory incentives to improve energy efficiency and CO₂ intensity.</p>	<ul style="list-style-type: none"> • More information on Holcim's position on climate change.

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<ul style="list-style-type: none"> Partnership projects and collective actions in support of UN goals and issues 	Holcim has a number of corporate strategic partnerships with ICRC; IUCN; WBCSD and UNGC. Furthermore operating companies engage in many local partnerships	Links: <ul style="list-style-type: none"> ICRC; IUCN; WBCSD & CSI; UNGC List of partnerships on our website
Human Rights Implementation		
5. Robust commitments, strategies and policies in the area of human rights		
<ul style="list-style-type: none"> Reference to relevant international conventions and other international instruments Written company policy (e.g. in the code of conduct) on human rights 	Holcim's commitment to human rights is part of our CSR policy and reflected in our participation in the UN Global Compact.	<ul style="list-style-type: none"> Link to Holcim CSR Policy (Refers to the Universal Declaration of Human Rights)
<ul style="list-style-type: none"> Reflection on the relevance of human rights for the company 	Human rights have been identified as an important issue in the SD materiality review.	<ul style="list-style-type: none"> SD materiality review in the 2013 CSDR (page 14)

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<ul style="list-style-type: none"> Allocation of responsibilities and accountabilities within the organization 	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"> Risk and impact assessments in the area of human rights 	<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 has developed and implemented a Group-wide human rights management system in line with John Ruggie's Guiding Principles. The first round of assessments in all three risk categories has been conducted on a global level. The second round starts in 2015.</p>	http://www.holcim.com/sustainable/social/respecting-human-rights.html
<ul style="list-style-type: none"> Regular stakeholder consultations in the area of human rights 	The Holcim External Report Review Panel has identified human rights as an issue of high importance in Holcim's SD materiality review	<ul style="list-style-type: none"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Internal awareness-raising and training on human rights for management and employees 	37% of Group companies report including equal opportunity issues in training programs, while 33% of Group companies report covering human rights in employee training.	<ul style="list-style-type: none"> Section on Human Rights, CSDR 2013, page 29
<ul style="list-style-type: none"> Grievance mechanisms, communication channels and other procedures (e.g. whistleblower) 	88% of Group companies report having systems to collect and handle employee grievances and complaints, and 77% report having arrangements for submitting complaints and/or grievances anonymously. Furthermore, 22% report	<ul style="list-style-type: none"> Section on "Responsible employment" in CSDR 2013, page 27

Criteria	Holcim commitment	Links
mechanisms) for reporting concerns or seeking advice	having specific committees in place to deal with human rights disputes.	
<ul style="list-style-type: none"> Inclusion of minimum human rights standards in contracts with suppliers and other relevant business partners Audits or other steps to monitor and improve the human rights performance of companies in the supply 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. Holcim has furthermore implemented a Contract Workers Directive, formalizing the obligation of Group companies to respect ILO core conventions and the principles of the UNGC.	<ul style="list-style-type: none"> See "Suppliers" section of 2013 performance data sheet – page 38 of CSDR 2013
7. Effective monitoring and evaluation mechanisms of human rights integration		
<ul style="list-style-type: none"> System to track and measure performance based on standardized performance metrics 	<p>Holcim has developed 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. The first round of assessments in all three risk categories has been conducted on a global level. The second round starts in 2015.</p> <p>Holcim furthermore monitors its impacts through continuous stakeholder engagement that includes Community Advisory Panels and regular needs assessments.</p>	Section on Human Rights, CSDR 2013, page 29
<ul style="list-style-type: none"> Leadership review of monitoring and improvement results 	Group company leadership monitors performance and improvement results as part of the annual business planning and risk management cycle. In addition, results	

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	of human rights impact assessments are reviewed by top management and corresponding actions defined.	
<ul style="list-style-type: none"> Process to deal with incidents 	We are developing action plans based on the results of the assessments and mitigate perceived or factual violations. Furthermore, 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.	
8. Standardized performance indicators (including GRI) on human rights		
<ul style="list-style-type: none"> Outcomes of risk and impact assessments 	Holcim has developed 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.	Section on Human Rights, CSDR 2013, page 29
<ul style="list-style-type: none"> Outcomes of internal awareness raising and training efforts 	37% of Group companies report including equal opportunity issues in training programs, while 33% of Group companies report covering human rights in employee training.	
<ul style="list-style-type: none"> Outcomes of mechanisms for reporting concerns or seeking advice 	The share of Group companies reporting having anonymous procedures for submitting complaints or grievances increased in the reporting period (2013: 88%; 2012: 69%). Additionally, 22% of Group companies report	

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	having special committees responsible for hearing, processing and settling disputes related to human rights issues in place.	
<ul style="list-style-type: none"> Percentage of contracts with business partners guaranteeing minimum human rights standards 	71% of Group companies report screening all major investments for human rights-related risks . 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.	
<ul style="list-style-type: none"> Outcome of audits or other steps to monitor and improve performance in the supply chain 	Holcim has implemented 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"> See “Suppliers” section of 2013 performance data sheet – page 38 of CSDR 2013

Criteria	Holcim commitment	Links
Labour Principles Implementation		
9. Robust commitments, strategies or policies in the area of labour		
<ul style="list-style-type: none"> Reference to relevant international conventions and other international instruments (eg. ILO Core Conventions) & written company policy on labour 	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.	<ul style="list-style-type: none"> Link to Holcim CSR Policy (Refers to the Universal Declaration of Human Rights)
<ul style="list-style-type: none"> Reflection on the relevance of the labour principles in the company 	Employment practices have been identified as an important issue in the SD materiality review.	<ul style="list-style-type: none"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Allocation of responsibilities and accountability within the organization 	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.	
10. Effective management systems to integrate the labour principles		
<ul style="list-style-type: none"> Risk and impact assessments in the area of labour 	Employment practices have been identified as an important issue in the SD materiality review.	<ul style="list-style-type: none"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Regular stakeholder consultations in the area of labour 	The Holcim External Report Review Panel has identified employment practices as an issue of high importance in Holcim's SD materiality review and are part of all human rights assessments and site-specific impact assessments.	<ul style="list-style-type: none"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Internal awareness-raising and training on the labour 	Holcim is committed to providing equal opportunities for all its employees and works on strengthening a culture of	<ul style="list-style-type: none"> Section on "Responsible employment" in CSDR 2013, page 27

Criteria	Holcim commitment	Links
<p>principles for management and employees</p>	<p>mutual respect, trust and openness.</p>	
<ul style="list-style-type: none"> • Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice 	<p>88% of Group companies report having systems to collect and handle employee grievances and complaints, and 77% 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>Four Group companies reported incidents of discrimination in 2013, which were dealt with in accordance with the Holcim Code of Conduct.</p>	<ul style="list-style-type: none"> • Section on “Responsible employment” in CSDR 2013, page 27
<ul style="list-style-type: none"> • Inclusion of minimum labour standards in contracts with suppliers and other relevant business partners • Audits or other steps to monitor and improve the labour performance of companies in the supply chain 	<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. Templates for contractual agreements with suppliers cover UNGC principles.</p>	<ul style="list-style-type: none"> • See “Suppliers” section of 2013 performance data sheet – page 38 of CSDR 2013

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Environmental Stewardship Implementation		
11. Robust commitments, strategies or policies in the area of environmental stewardship		
<ul style="list-style-type: none"> Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development) 	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"> Link to environment policy on Holcim website
<ul style="list-style-type: none"> Reflection on relevance of environmental stewardship for the company Written company policy on environmental policy 	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"> Link to environment policy on Holcim website SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Allocation of responsibilities and accountability within the organization 	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"> Managing Sustainable Development, CSDR 2013, Page 13
<ul style="list-style-type: none"> Specific commitments and goals for specified years 	All environmental commitments and targets are listed in the progress towards targets.	<ul style="list-style-type: none"> Progress towards targets - CSDR 2013 – see page 3
12. Effective management systems to integrate the environmental principles		

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<ul style="list-style-type: none"> Environmental risk and impact assessments 	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"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Regular stakeholder consultations on environmental impact 	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 CSDR please see:</p> <ul style="list-style-type: none"> External panel role – page 14 External panel statement - page 48 <p>See also our website section on stakeholders</p>
<ul style="list-style-type: none"> Internal awareness-raising and training on environmental stewardship for management and employees 	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"> Section on "Responsible employment" in CSDR 2013, page 27
<ul style="list-style-type: none"> Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts 	88% of Group companies have systems to collect and handle employee grievances and complaints, and 77% have arrangements for submitting complaints and/or grievances anonymously.	<ul style="list-style-type: none"> Section on "Responsible employment" in CSDR 2013, page 27

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<ul style="list-style-type: none"> Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners 	77% of Holcim Group companies screen local suppliers ensuring that they have an environmental management system in place.	<ul style="list-style-type: none"> See "Suppliers" section of 2013 performance data sheet – page 38 of CSDR 2013
<ul style="list-style-type: none"> Audits or other steps to monitor and improve the environmental performance of companies in the supply 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 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"> System to track and measure performance based on standardized performance metrics 	<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"> CSDR 2013 Methodology section – page 45
<ul style="list-style-type: none"> Leadership review of monitoring and improvement results 	SD committees supports the overall decision-making process and propose key issues to the Executive Committee	<ul style="list-style-type: none"> Managing Sustainable Development, CSDR 2013, Page 13
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"> SD Performance Data included in the CSDR 2013. (Pages 38 to 44) Link to Carbon Disclosure Project

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<ul style="list-style-type: none"> • Outcome of audits or other steps to monitor and improve performance in the supply chain 	<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 is being developed. The development process involved internal workshops and interviews with selected external stakeholders.</p>	<ul style="list-style-type: none"> • See “Suppliers” section of 2013 performance data sheet – page 38 of CSDR 2013
Anti-Corruption Implementation		
15. Robust commitment, strategies and policies in the area of anti-corruption		
<ul style="list-style-type: none"> • Reference to relevant international conventions and other international instruments (e.g. UN Convention Against Corruption) 	<p>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.</p>	<ul style="list-style-type: none"> • Holcim Code of Conduct
<ul style="list-style-type: none"> • Reflection on relevance of anti-corruption for the company • Written company policy on anti-corruption (e.g. in code of conduct) 	<p>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.</p>	<ul style="list-style-type: none"> • Holcim Code of Conduct • See CSDR 2013, page 15 – “Integrity”
<ul style="list-style-type: none"> • Allocation of responsibilities and accountability regarding corruption within the organization 	<p>For information regarding the organization see: organization and management</p>	<ul style="list-style-type: none"> • Holcim website

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16. Effective management systems to integrate the anti-corruption principle		
<ul style="list-style-type: none"> Risk and impact assessments in the area of anti-corruption 	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"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Regular stakeholder consultations in the area of anti-corruption 	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"> SD materiality review in the 2013 CSDR (page 14)
<ul style="list-style-type: none"> Internal awareness-raising and training on anti-corruption efforts for management and employees 	Holcim has introduced a centrally coordinate training program in this area.	<ul style="list-style-type: none"> See CSDR 2011, page 8 – “Operating with integrity”
<ul style="list-style-type: none"> Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice on corruption 	88% of Group companies report having systems to collect and handle employee grievances and complaints, and 77% report having arrangements for submitting complaints and/or grievances anonymously.	
<ul style="list-style-type: none"> Inclusion of minimum anti-corruption standards in contracts with suppliers and other relevant business partners Audits or other steps to monitor corruption and improve the performance of companies in the supply 	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"> http://www.holcim.com/uploads/CORP/AR_2012_final_e_SG.pdf

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chain		
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"> • Holcim Code of Conduct
<ul style="list-style-type: none"> • Process to deal with incidents 	The code is very clear – violations will not be tolerated. Noncompliance with the code may be 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"> • GRI content index.
Value Chain Implementation		<ul style="list-style-type: none"> •
19. Implementation of the Global Compact principles in the value chain	Holcim has implemented 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"> • See “Suppliers” section of 2013 performance data sheet – page 38 of CSDR 2013
<ul style="list-style-type: none"> • Audits/screening for compliance in the value chain 	See link opposite	<ul style="list-style-type: none"> • See “Suppliers” section of 2013 performance data sheet – page 38 of CSDR 2013

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Transparency and Verification		
20. Information on the company's profile and context of operation		
<ul style="list-style-type: none"> • Legal structure, including any group structure or ownership 	See link	<ul style="list-style-type: none"> • Corporate Governance section in the 2013 Annual Report. (See page 113)
<ul style="list-style-type: none"> • Countries where the organization operates, with either major operations or operations that are specifically relevant to sustainability 	See link	<ul style="list-style-type: none"> • Link to 2013 Annual Report. (See page 243)
<ul style="list-style-type: none"> • Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries) 	See link	<ul style="list-style-type: none"> • Link to 2013 Annual Report. (See page 8 and also business reviews pages 86-102)
<ul style="list-style-type: none"> • Primary brands, products, and/or services 	See link	<ul style="list-style-type: none"> • Link to 2013 Annual Report. (See page 10)
<ul style="list-style-type: none"> • Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.) 	See link	<ul style="list-style-type: none"> • Link to Economic impact along the value chain graphic (value chain) on the Holcim website

Criteria	Holcim commitment	Links
21. High standards of transparency and disclosure		
<ul style="list-style-type: none"> • COP uses the Global Reporting Initiative Sustainability Reporting Guidelines 	Yes – See link	<ul style="list-style-type: none"> • GRI content index.
<ul style="list-style-type: none"> • COP qualifies for Level A+ of the GRI application levels 	CSDR 2011	<ul style="list-style-type: none"> • CSDR
<ul style="list-style-type: none"> • COP includes comparison of key performance indicators for the previous 2-3 years 	Yes – See link	<ul style="list-style-type: none"> • SD Performance Data included in the CSDR 2013. (Pages 38 to 44)
22. Independently verified by a credible third party		
<ul style="list-style-type: none"> • Independently verified against assurance standard (e.g. AA1000 Assurance Standard, ISAE 3000) 	Yes – See link	<ul style="list-style-type: none"> • CSDR (see assurance statements, page 46 to 48)
<ul style="list-style-type: none"> • Verified by independent auditors 	Yes – See link	<ul style="list-style-type: none"> • CSDR (see assurance statements, page 46 to 48)
<ul style="list-style-type: none"> • Reviewed by a multi-stakeholder panel 	Yes – See link	<ul style="list-style-type: none"> • Information on the panel – Holcim website