



## LES CIMENTS ARTIFICIELS TUNISIENS

Communication sur le Progrès (COP 2020)



**Entreprise Citoyenne, Socialement et Ecologiquement  
Responsable**



**United Nations**  
Global Compact



الإسمنت الاصطناعي التونسي  
Les Ciments Artificiels Tunisiens

COLACEM  
GRUPPO FINANCO

Tunis, le 01/08/2012

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

Dear Mr. Secretary-General,

I am pleased to confirm that our company "Les Ciments Artificiels Tunisiens (CAT) supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption. With this communication, we express our intent to advance those principles within our sphere of influence. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. CAT will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within *one year* of joining the Global Compact, and *annually* thereafter according to the Global Compact COP policy.

Sincerely yours,

General Manager  
Giuseppe Colaiacovo

Siège Sociale  
Route Z4 Km 2  
1009, El Ouardia - Tunis (TN)  
TUNISIE  
Tél. +216 71 393 550  
Fax +216 71 393 642  
info@ln.colacem.com  
www.cat.colacem.com

SA au Capital de  
TND 81.230.175  
MF 000 263 Y/A/M/000  
RC B 19541999

Direction Générale  
Via della Vittorina, 60  
06024 Gubbio (PG)  
ITALIE

Tél. +39 075 9240 1  
Fax +39 075 9276676  
info@colacem.it  
www.colacem.it

29 Février 2020

To our stakeholders

I am pleased to confirm, once again, that CAT-COLACEM reaffirms its support of the 10 Principles of the UN Global Compact expressed in our letter of adhesion of 01/08/2012

In this fifth annual communication on progress, we describe our actions to continually improve the integration of the global compact and its principle into our business strategy, daily operations and culture. During the year 2019, the CAT-COLACEM continued to act actively, within the local network of Tunisian companies, officially presented by IRSET that are engaged in a policy of social responsibility. Our company has chosen signatory status and will continue to promote the 10 principles of the global compact, putting in place actions to advance the Sustainable Development Goals (SDGs) to ensure the sustainability of these activities.

We also commit to share this information with our relevant stakeholders using our primary channels of communication.

Sincerely Yours

Giuseppe Colaiacovo

Managing Director

## Our Engagements

- Participate as part of our social responsibility, to the extent of our means, and in a way acting to international, national, regional and local initiatives aimed at preventing and mitigating the environmental and social impacts of our activities for the improvement the quality of life of our community
- Integrate the concept of "sustainable development" at the heart of the logic of our company and in our relations with our interested parties
- Pursue the United Nations Sustainable Development Goals (SDGs) in the framework of the 2030 Agenda
- Respect the principles of the United Nations Charter for Human Rights,
- Respect all the regulations concerning environment, health, safety and human rights in all our activities
- Rationalize the consumption of natural resources and mitigate the impact of our activity in the air, in the soil and in water
- Promote energy efficiency and reduce the carbon footprint through the use of renewable energies, alternative fuels and substitute materials
- Continually improve the environmental performance of our business by acquiring the best technologies available and economically bearable,
- Give priority to the health and safety of all our employees and all the people operating on our site
- Develop working conditions for the satisfaction of our employees and our external service providers
- To make available to our various partners, in all transparency, our progress and our environmental and social performances

## Objectives of the CAT

- Implement its societal commitments
- Improve social dialogue
- Increase competitiveness
- Improve our brand image
- Improve relations with local residents
- Control of the risks linked to our different activities
- Respect human rights
- Disseminate good practices of CSR
- Control social and environmental risks
- Ensuring transparency and quality for our customers and stakeholders

## Sustainable development:

Since joining the UN Global Compact, the CAT has decided to place its strategy and governance within the framework of the sustainable development objectives.

The priority sustainable development objectives for our company have been identified as:

### 1) Decent work and economic growth



### 2) Responsible consumption and production



### 3) Fight against climate change



### 4) Good health and well-being



### 5) Industry, innovation and infrastructure



The CAT has adopted a Sustainable Development Strategy within the framework of an Integrated Management System, Quality, Health and Safety at Work and Environment.

The cement industry can grow if it has a dynamic vision of the context in which it operates and if it is able to transform its relationships with the community and nature.

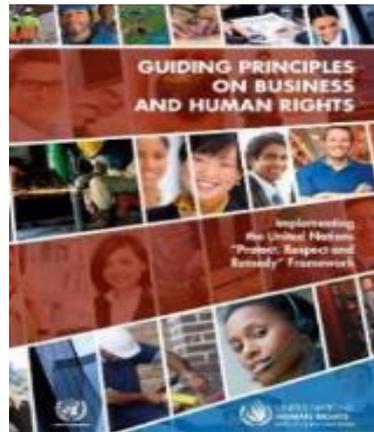
CAT has fully invested in the innovation and transformation of these facilities by adopting the most advanced standards for the protection of workers, the environment and populations

On the social responsibility front, CAT has set aside important resources for social activities within the factory and in the life of the surrounding community. The CAT manages, with great responsibility, the significant environmental impacts of its activities for sustainable development. Our commitment has been materialized by the signing of a pact, with all Tunisian cement plants, for sustainable development.

In order to monitor its performances, within the framework of its social responsibility, the CAT has established several objectives, social and environmental, and indicators to monitor the achievement and effectiveness of the actions implemented. These objectives and indicators are given in the table below

	<b>Objectives and indicators monitored</b>
<b>Employment</b>	Total workforce and distribution of employees by sex and age and by geographic area
	Remuneration and its development
	Hiring and firing
<b>Work organization</b>	The organization of working time
	Absenteeism
<b>Health and security</b>	Health and safety conditions at work
	OHS (Occupational Health and Safety Committee) achievements
	Work accidents (Nbre.), in particular their frequency (TF) and their severity (TG), as well as occupational diseases
<b>Environment</b>	Atmospheric emissions (dust and gas)
	Consumption of non-renewable resources
	Control and recovery of different types of waste
<b>Social relations</b>	The organization of social dialogue
	Review of the agreements signed with the base union and the staff representatives
<b>Training</b>	The training policies implemented
	The number and effectiveness of training actions
<b>Equal treatment</b>	Measures taken to promote equality between women and men
	Measures taken to promote the employment and integration of people with disabilities
	Anti-discrimination policy
<b>Promotion and respect of national and international conventions</b>	Respect for freedom of association and the right to collective bargaining
	Elimination of discrimination in matters of employment and occupation
	Elimination of forced or compulsory labor and child labor

## HUMAN RIGHTS:



### Assessment, policy and goals

CAT-COLACEM still supports with the strongest possible Article 7 of the Universal Declaration of Human Rights which states, "All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination. We reaffirm our commitment and we will continue to train our leaders and our people to respect human dignity and strive continuously to build a society in which everyone is treated with dignity and respect.

We will always continue to act for the respect of human dignity and our suppliers are aware of the importance of respect for human rights within their organization and the importance that the CAT- COLACEM gives this factor for the development of its relationships with its suppliers and partners . We will continue to monitor our suppliers' compliance with human rights. Any business partners who do not effectively manage and improve when necessary will be placed on probation. Each time our company has confirmed that one of its suppliers systematically violates the human rights it will be eliminated from the list of approved suppliers.

### Measurement of outcomes

#### Implementation

We check with our subcontractors that they do not work for people without social coverage, and we require all our contractors to sign an undertaking in which they undertake to respect human rights and not to children working. We developed working medicine and have established visits annual medical for each worker

Finally, To monitor the health of our employees and to avoid work-related accidents caused by health problems, we conducted respiratory and audiometry tests for all CAT staff.

### Measurement of outcomes

Any contravention of human rights will be documented and the responsible partner will be placed on probation and given a timeframe to address and resolve the issue. Continued non compliance will result in the partner relationship being terminated. Senior management will audit critical suppliers annually without any warning to ensure that they are working within the defined guidelines of human rights.

## **LABOUR:**

### **Assessment, policy and goals**

In accordance with Tunisian Employment Law employees of our company are free to subscribe to labor unions as well as collective bargaining. Yet as the Employment law specifies, collective bargaining must be engaged in prior to a company strike. Also, CAT-COLACEM acknowledges that when an individual chooses to accept employment at this company it is with his or her own volition and in no way is coerced.

Our company policy follows the rules set out by the Tunisian Employment code, which among other right states that Tunisian workers have the right to unionize or join existing labor unions, there is a nominal hours workweek, and the amount of overtime that employers may request is limited. We supersede these laws because CAT-COLACEM also provides non-wage benefits such as transportation and meals or compensation for these.

Additionally, our company frequently negotiates merger and acquisition deals with foreign companies. Since CAT-COLACEM is firmly against the idea of child labor, we require all companies we deal with, to respect the Employment law in compliance with the Tunisian labor legislation.

For the control and prevention of workers in our society and all stakeholders on our site, we have established a Corporate Advisory Committee (CAC) and a Health and Safety Committee (HSC) who are responsible for implementing and monitoring programs aimed preserving the health and safety of all employees.

Finally, and to improve its performances, the CAT has set up a management system for health and safety at work. This system has been certified according to the OHSAS 18001 standard since 2013 and it is in the process of certification according to the new ISO 45001 standard.

### **Implementation :**

The manner in which our company ensures the application of the policies in the desired form is by company-provided sensitivity and diversity education, workshops outlining labor rights, new employee orientation programs that inform the employee at the time of their hire of labor rights.

Periodic meetings are held to discuss the problems encountered during the work. These meetings are an opportunity for workers to address their grievances. Awareness sessions and training for employees on labor rights, health and safety are assured. The Occupational Health and Safety Committee, which meets every two months, analyzes and proposes actions to prevent accidents and improve working conditions in the factory

### **Training :**

The CAT considers that training is the mainstay of the development of its activities and that its human resources are the most important element for the success and durability of the company.

For the TAG, training is the driving force of the company's development and contributes to improving the skills of its employees and changing their attitudes to enable them to work in a more rational way

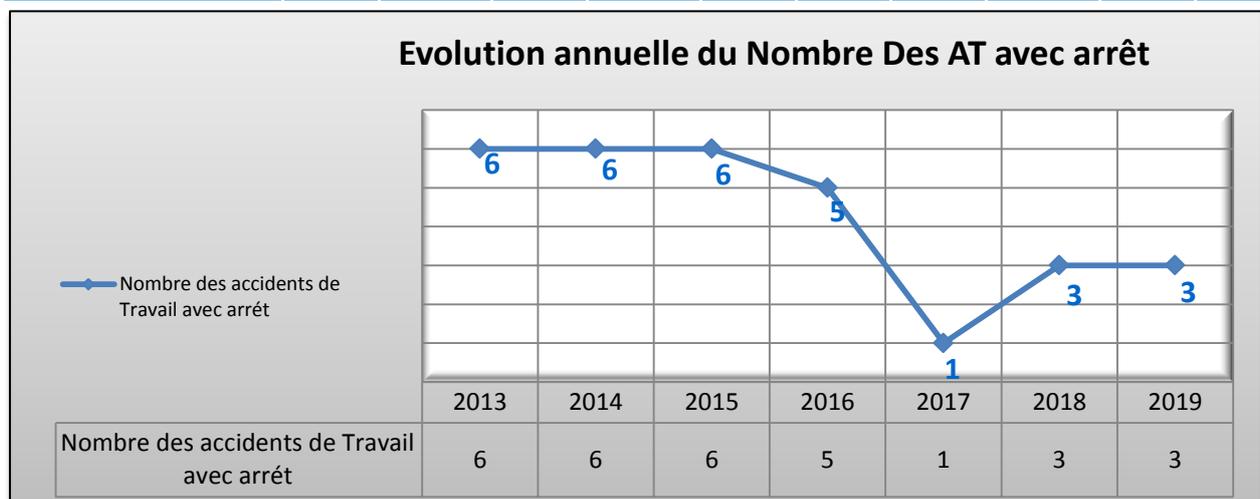


In order to improve protection of health and safety of people working in the factory, our company has set up a management system that has been certified OHSAS 18001 and certification was renewed for one year.

### Measurement of outcomes

Monitoring performance on the issue of labor rights is very important to our company because of the relationship between a content workforce and high productivity. The managers of the company tries to mitigate all issues with a proactive stance. As of the time of application there were no incidents of violations of the Global Compact Labor principals. The managers feel that the lack of an issue is demonstrative of the company's high regard for labor rights and its continuing attempts to educate company employees about their rights. The table below shows the improvements recorded since 2016 in the number of work-related accidents.

Indicators	2015		2016		2017		2018		2019	
	goal	realized								
Number of work accidents	0	6	0	5	0	1	0	3	0	3
Severity rate (TG)	≤ 0,9	2.86	≤ 0,9	0,13	≤ 0,9	0.01	≤ 0,2	0.14	≤ 0,2	0.19
Frequency Rate (TF)	≤ 20	16.28	≤ 20	13,68	≤ 20	2.8	≤ 10	8.33	≤ 10	8.34
Frequency Index (If)	≤ 60	33.57	≤ 60	28.18	≤ 60	5.66	≤ 20	16.87	≤ 20	16.97
Average Duration of Temporary Disability (DMIT)	≤ 29	52.83	≤ 29	9,80	≤ 29	3	≤ 29	17	≤ 29	22.67



## Evolution of the number of work accidents (2013 – 2019)



### ENVIRONMENT:

#### Assesement, policy and goals

During the month of November 2019, CAT-COLACEM signed the 2nd sustainable development charter for the Tunisian cement. CAT-COLACEM is committed to continue in its policy of preserving the environment and controlling its environmental impacts. To control its environmental aspects and reduce the impacts of these activities, CAT-COLACEM is committed to a policy of reducing non-renewable energy resources and CO2 emissions. We began using waste as fuel for the production of clinker. The project “Partial substitution of fossil fuels with biomass” has been approved by the CDM DNA for Tunisia and was registered as a CDM project. This project has reduced CO2 emissions significantly. Our company has set up an environmental management system complies with ISO 14001 (2015).

Our company is committed for several years to preserve the environment in order to minimize the impact of its activities on its neighborhood. As a company which could very easily see its livelihood destroyed by the effects of climate change, CAT-COLACEM is on the very forefront of supporting programs that encourage environmental protection. One of our priorities is to protect the natural environment in Tunisia and before choosing a new subcontractor is required of him signing a commitment to respect the environment.

Written company policy on environmental issues, including prevention and management of environmental risks  
Policy requiring business partners and suppliers to respect the environmental principles and describe specific goals in the area of environmental protection for the upcoming year. To improve our energy performance, an energy management system complying with the requirements of the ISO 50001 standard has been initiated.

## Implementation

CAT-COLACEM is implementing the policies by working with employee in the area of education, acquiring assistance from the local organizations CITET, ANPE, ANGED and ANME, as well as investing in new energy-saving technology and recycling programs. Several actions are taken:

- The replacement of part of the fuel (gas) by biomass (olive pomace) with a reduction in CO2 emissions  
Project duration: 10 years (2012 - 2021)  
Annual use (olive pomace): 20,000 Tons  
Annual reduction: 62,328 T of CO2 equivalent, i.e. a reduction of: 650,000 Tons of CO2
- Realization of an environmental impact study for the use of RDF as alternative fuel.
- Establishment of several conventions to manage the waste produced by CAT
- Realization of awareness actions for waste management
- Installation of a new gas analyzer to control its emissions and control its impacts on the environment and in particular on neighboring populations
- Redevelopment of old quarries after the exhaustion of reserves of raw materials.
- Activities aimed at improving the energy efficiency of products, services and processes  
Development and diffusion of environmentally friendly technologies
- Establishment of an energy management system (ISO 5001) to reduce energy consumption
- Contribution in the rehabilitation of the south cost of Tunis Lake in front of the cement plant
- Programming the installation of a new gas analyzer to be installed in the kiln chimney
- Distribution of responsibilities for environmental protection within the company
- Awareness improving and training of employees on environmental protection
- Initiatives and programmes to reduce waste materials (e.g. recycling) and consumption of resources (energy, fossil fuels, water, electricity, paper, packaging, etc.)
- Educate providers and outsourcing companies asking them to sign a pledge to respect environment
- Construction of a large green area in front of our factory
- Use of building waste to remodel quarries.



**Career development**



### Development of roads and green spaces around the factory

#### Measurement of outcomes

- Identification of environmental aspects and periodic measurement of environmental impacts
- Periodic review of results by senior management
- Surveys neighbors and complaints
- Monitoring the level of atmospheric emissions for greenhouse gases
- Specific progress made in the area of the environmental protection during the last reporting period
- Renewal of ISO 14001 (2015) certification

## ANTI-CORRUPTION

#### Assesment, policy and goals

- STATEMENT AFFIRMING ANTI-CORRUPTION

In order to promote the culture of anti-corruption, the parent company (COLACEM) established a guide “**Code Ethique des Entreprises Externes COLACEM**”.



## CODE D'ÉTHIQUE (Anti-corruption)

destinée à l'utilisation par les Sociétés  
étrangères

In this document, which has been translated into French, our company has clearly defined the vision of the company as well as the means to fight against corruption. This guide will be translated and distributed to all companies controlled by COLACEM

The CAT-COLACEM is committed to furthering the UN global Compact in the area of Anti-Corruption. The country of Tunisia is a party to the UN convention against corruption and both CAT-COLACEM and its employees are sensitized against the anti-corruption. It must be said that CAT-COLACEM has a zero-tolerance policy for corruption, bribery and extortion. The following company policy according to bylaws can be evidence of this: "It is the policy of CAT-COLACEM to pursue all of its business transactions in an honest and ethical manner. In doing business, CAT-COLACEM punishes any person associated with the company may offer, pay, promise, authorize or receive any bribe, kickback or other illicit payment.

Each CAT person has as an absolute principle the respect of the laws and regulations in force, as well as that internal

To apply employment contracts and to act with integrity towards its collaborators, thus promoting professional growth and safeguarding safety at work;

- ♣ To adopt fair and correct conduct towards customers, suppliers and competitors;
- ♣ To comply with environmental regulations and any other regulations voluntarily subscribed;
- ♣ To consider the protection of the environment and the prevention of all kinds of pollution as a permanent commitment;
- ♣ To maintain the relations dictated by loyalty and integrity with the Public Administration and with all the interested parties

With regard to relations with counterparts, any form of discrimination based on age, racial and ethnic origin, nationality, political opinions, religious beliefs, sex, sexuality or state is prohibited of health of its interlocutors

Our 2020 goals are to establish a monitoring body and to continue to provide education for all level of employees up to management about corruption as well as what to do if one should encounter it.

## Implementation

- Participation in industry initiative or other collective action on anti-corruption
- Control of all business transactions and purchases through a centralized management system (SAP)
- Awareness raising or training of employees about the company's policies regarding anti-corruption and extortion (e.g. mailings, internet, internal communication, etc.)

## Measurement of outcomes

CAT-COLACEM is pleased to report that there have been no incidents of corruption alleged at the company from either internal or external agencies. Because of the company's zero-tolerance policy, it is obvious that there is a great deal of social and legal pressure not to participate in such acts.

Information about how the company deals with incidents of corruption

External audits to ensure consistency with anti-corruption commitment including annual review by senior management.

Specific progress made in the area of anti-corruption during the last reporting period.

Investigations, legal cases, rulings, fines and other relevant events related to corruption and bribery .