Communication on Progress: UNGC Principles, GRI Index, MDGs

With our integrated approach to Sustainable Development, we aim at embracing the <u>UN Global Compact (UNGC) principles</u> and at reporting in accordance with the <u>Global Reporting Initiative (GRI) Guidelines (G3, 2006)</u>. The following table gives an overview of the actions implemented in 2008 to meet our UN Global Compact commitment and highlights our contributions to the <u>Millennium Development Goals (MDG)</u>. Holcim remains firmly committed to the UN Global Compact and this commitment is reflected in the CEO Statement in the CSDR 2007 report and also on our website.

UNGC principles	GRI Indicator	Commitment (Policies)	Actions implemented	Direct/indirect contributions to the MDGs	CSDR 2007 Page
Human Rights					•
Business should support and respect the protection of internationally proclaimed human rights.	HR1, HR2, HR3, HR4	Our CSR Policy states: "We express support for the Universal Declaration of Human Rights and we commit to adhere to ILO standards."	Embedding Code of Conduct Link to the website	Indirect: 1-8	5
			Embedding CSR policy Link to the website	Direct: 3 Indirect: 2	20
			OH&S: Ongoing "Passion for Safety" initiative, development of directives on fatality prevention Link to the website	Direct: 6 Indirect: 1	21, 22, 32
			Ongoing health management programs <u>Link to the website</u>	Direct: 5, 6, Indirect: 4	22
			Measurement of supplier performance Link to the website	Indirect: 1, 3, 7, 8	27
			Realising affordable housing projects <u>Link to the website</u>	Indirect: 3, 6, 7	11
			Implementing capacity building projects <u>Link to the website</u>	Direct: 3, Indirect: 1, 4, 5, 6	22
			Implementing human rights policies training <u>Link to the website</u>	Direct: 3 Indirect: 2	22
Business should make sure that they are not complicit in human rights abuses.	HR2, HR3	Our CSR Policy states: "We express support for the Universal Declaration of Human Rights and we commit to adhere to ILO standards."	Embedding of Code of Conduct <u>Link to the website</u>	Direct: 6 Indirect: 1	5
			Embedding CSR policy Link to the website	Direct: 5, 6, Indirect: 4	20
			OH&S: "Passion for Safety" initiative and OHSAS 18000 Link to the website	Indirect: 1, 3, 7, 8	22
			Ongoing health management programs <u>Link to the website</u>	Indirect: 3, 6, 7	22

			Measurement of supplier performance <u>Link to the website</u>	Indirect: 1, 3, 7	27
			Commissioning of human rights assessment Link to the website	Indirect: 1-7	22
Labour Standards					
Business should uphold the freedom of association	HR5, LA3, LA4	Our CSR Policy states: "We respect workers' rights, ensure	Embedding Code of Conduct Link to the website	Indirect:1-8	5
and the effective recognition of the right to		wages that meet local industry good practice and strive to provide	Embedding ISO 9001 Link to the website	Indirect: 3	7
collective bargaining.		best possible working and development conditions."	Measurement of supplier performance <u>Link to the website</u>	Indirect: 1, 3, 7, 8	27
			Assuring good-practice wages Link to the website	Direct:1 Indirect: 2,4,5	20
			Implementation of systems to collect and handle employee grievances and complaint Link to the website	Indirect: 1, 3	20
			Conducting employee training and leadership programs Link to the website	Indirect: 1, 3, 7	20
			Promoting trade unions Link to the website	Indirect: 1, 3	20
			Conducting employee satisfaction surveys Link to the website	Indirect: 3	20
			Rewarding outstanding employee performance Link to the website	Indirect: 1, 2, 3	21
Business should uphold the elimination of all forms	HR7	Our CSR Policy states: "We respect workers' rights, ensure	Embedding Code of Conduct <u>Link to the website</u>	Indirect: 1-8	5
of forced and compulsory labour.		wages that meet local industry good practice and strive to provide	Measurement of supplier performance <u>Link to the website</u>	Indirect: 1, 3, 7, 8	27
		best possible working and development conditions."	Conducting employee satisfaction surveys <u>Link to the website</u>	Indirect: 3	20
5. Business should uphold the effective abolition of	HR6	Our CSR Policy states: "We refuse to employ children at an age where	Embedding Code of Conduct Link to the website	Indirect: 1-8	5
child labour.		education is still compulsory."	Measurement of supplier performance <u>Link to the website</u>	Indirect: 1, 3, 7, 8	27
			Conducting employee satisfaction surveys Link to the website	Indirect: 3	20

6. Business should uphold the elimination of discrimination in respect of employment and occupation.	HR4, LA10, LA11	Our CSR Policy states: "We value diversity and promote equal opportunities in recruitment, employment, development and retention."	Embedding Code of Conduct <u>Link to the website</u> Measurement of supplier performance <u>Link to the website</u> Promotion of diversity and equality <u>Link to the website</u> Conducting employee satisfaction surveys <u>Link to the website</u>	Indirect: 1-8 Indirect: 1, 3, 7, 8 Direct: 3 Indirect: 1 Indirect: 3	5 27 20, 32 20
Environment					
7. Businesses should support a precautionary	3, 13	Our Environmental Policy Statement (EPS) captures the	Embedding Code of Conduct Link to the website	Indirect: 1-8	5 14 7, 31 8 27 17
approach to environmental challenges.		Holcim commitment to improve continuously the environmental performance and to provide positive contributions to our businesses. It is based on four main pillars:	Program of research and development <u>Link to the website</u>	Direct: 7	14
			Ongoing ISO14001 implementation in cement plants, grinding stations and AFR pre-treatment platforms <u>Link to the website</u>	Direct: 7 Indirect: 8	7, 31
	utilization, environmental	Management systems, resources utilization, environmental impacts	Measurement of supplier performance Link to the website	Indirect: 1, 3, 7, 8	27
		and stakeholder relations.	Emissions Monitoring and Reporting Standard (EMR) Link to the website	Indirect: 7	17
			Resources utilization Link to the website	Direct: 7	15,17,31
			CO2-emissions reduction Link to the website	Direct: 7	14, 15
			Environmental investments Link to the website	Direct: 7	17, 30
			Conducting environmental and social impact assessments <u>Link to the website</u>	Indirect: 7	16
			Optimizing transport and distribution channels <u>Link to the website</u>	Direct: 7	17

8. Businesses should	EN1, EN2,	The EDC etetee: "Me premete evil	Embedding Code of Conduct	Indirect: 1-8	T -
undertake initiatives to		The EPS states: "We promote our	Link to the website	mairect. 1-6	5
	EN3, EN4,	commitment through training and		1	0.7
promote greater	EN5, EN6,	integration into business	Measurement of supplier performance	Indirect: 1, 3, 7, 8	27
environmental	EN7, EN8,	processes." – "We promote eco-	Link to the website		1
responsibility.	EN9, EN10,	efficiency, conservation of non-	Participation in WBCSD and WBCSD Cement	Direct: 7, 8	14
	EN11, EN12,	renewable natural resources and	Sustainability Initiative (CSI)		
	EN13, EN14,	recycling of secondary materials."	<u>Link to the website</u>		
	EN15, EN16,	- "We measure our performance,	Emissions Monitoring and Reporting Standard	Indirect: 7	17
	1.1	continuously improve and promote	(EMR)		
		best practice in our industry."	Link to the website		
			Embedding Group rehabilitation guidelines	Indirect: 7	16
			Link to the website		
			Collaboration with IUCN addressing biodiversity	Direct: 7, 8	16, 18
			and conservation issues		
			Link to the website		
			Partnership with GLOBE	Direct: 8	14
			Link to the website	Indirect: 7	
			Stakeholder dialogs on waste management and	Indirect: 2, 7	23
			resource efficiency	,	
			Link to the website		
9. Businesses should	EN17	The EPS states: "We invest in the	Program of research and development	Indirect: 7	14
encourage the		development of innovative and	Link to the website		
development and diffusion		sustainable products and	Development and marketing of sustainable	Direct: 7	8, 16
of environmentally friendly		processes"	products		, , , ,
technologies.			Link to the website		
			Co-processing (AFR)	Direct: 7	15, 28
			Link to the website	D oot. 7	10, 20
			Ongoing partnership with GTZ	Direct: 7	15
			Link to the website	Direct. 7	
			Renewable energy initiatives	Direct: 7	12, 13
			Link to the website	Direct. 1	12, 13
			Recycling of construction demolition waste	Direct: 7	16, 31
				Direct. 1	10, 31
			(CDW) and cement kiln dust (CKD)		
			Link to the website		

Anti-corruption						
10. Businesses should work against all forms of corruption, including extortion and bribery.	SO2	The Group code of conduct, published in October 2004, makes this commitment explicit.	Embedding Code of Conduct <u>Link to the website</u>	Indirect: 1-8	5	