

Fact Sheet - Community Involvement

Introduction

Multinational companies such as Holcim can thrive in today's turbulent world of globalization, deregulation, privatization and instantaneous worldwide transmission of news about their social and environmental performance only if they are good corporate citizens – particularly in their own backyards.

Contributing to the development of our host communities is one way that we at Holcim seek to demonstrate our corporate responsibility, for the good of all concerned. We recognize that being a good neighbor entails not only limiting environmental impacts, but also working with our stakeholders to help improve their quality of life. For a company such as Holcim, the license to operate comes directly from the communities and regions close to our plants and quarries.

Why the issue is important

The shifting balance of power between governments and corporations has led to rising expectations about the role that business should play. As governments privatize more of the public services they once provided, the public perceives business as gaining power and expects it to act in ways that are in keeping with this new stance. In regions where state funds are scarce, it is in a company's best interest to shoulder responsibilities that would otherwise fall by the wayside, such as helping to provide educational opportunities and basic infrastructure.

Moreover, there is the opportunity for companies to contribute to improving the quality of life of their host communities, simply because of the expertise they can bring to the table. For example, providing educational opportunities has a direct impact on poverty alleviation, as does building the capacity of local micro-enterprises, while support for infrastructure projects leads to more livable communities.

Challenges for Holcim

Our involvement with neighboring communities has always been a mainstay of social engagement at Holcim. Group companies engage in many activities and projects within their local spheres of influence, some of which have continued for more than three decades.

However, as many past projects included one-off charitable donations, our challenge is to encourage Group companies to engage in longer-term action in certain focus areas.

Our other main challenge, therefore, is to ensure that we respond to the needs of stakeholders in making such investments - not simply putting in place projects that we think are beneficial, but ensuring that they are projects which are based on real needs and realize mutual goals. It is this focus on our stakeholders' own definition of their needs and aspirations which drives our approach to community involvement. Stakeholder dialogue, needs assessment and collaborative planning and management are central features of the Holcim strategy.

Our commitment

We see vigorous community involvement as a way to strengthen our license to operate, improve our reputation, and ensure employee and customer loyalty. We also see it as an opportunity to contribute to the quality of life of our workforce, their families and the communities around our plants. As a result, we have identified three focus areas:

Providing education for society's future is central to the pursuit of sustainable development, opening the door to new opportunities for equality and prosperity.

Supporting sustainable community development means not only helping to provide services in places where institutional structures are absent or insufficient, but also supporting measures to build communities and the capacities of people who live in them.

Building infrastructure for livable communities means promoting civic engagement through finding safe, sustainable ways to meet local needs for housing, transportation, and recreation. Since providing infrastructure is closest to our core business, the knowledge and advice we provide can greatly benefit host communities.

Many case studies describing initiatives in these focus areas are available on our website.

At Holcim, we aim to be a trusted partner in each community where we work and live, where the ultimate objective of our community involvement is to resolve common concerns of the company and the community.

Related publicly available information

Holcim publishes Corporate Sustainable Development Reports (CSDRs) each second year, with performance information and data updated annually on our website. Together with additional fact sheets and other SD-related information, this can be found at:

www.holcim.com/sustainable/