

# Corporate Citizenship Policy



**HEIDELBERGCEMENT**

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## 1 Sustainability and social responsibility

**As a leading global building materials company, HeidelbergCement is committed to sustainable development and recognizes its social responsibilities. HeidelbergCement's goal is to achieve further growth and thereby create added value for customers, employees, investors, and local communities surrounding our locations.**

The more our companies operate in harmony with society, the greater is their success in business. Openness and dialogue, fairness towards business partners, responsibility to employees and locations, honest and fair partnership with employee representatives as well as preservation of resources and climate protection are therefore the guiding principles for HeidelbergCement's business activities.

## 2 Corporate citizenship

Social responsibility is not merely reflected in business processes. On the contrary, companies all over the world are taking on an increasingly important role in finding solutions to foster social development. HeidelbergCement and its subsidiaries ("HeidelbergCement") are committed to contributing in this area.

The business of HeidelbergCement is oriented towards regional markets. Therefore, the company traditionally has strong links with these geographical areas and focuses its activities at the regional or local level. HeidelbergCement is now represented at more than 2,300 locations worldwide. The environments surrounding these locations are as diverse as the people living and working there. As a good corporate citizen, HeidelbergCement maintains a lively exchange with local communities and provides an impetus for an active, vital society through voluntary activities. Thereby, HeidelbergCement is committed to respecting and preserving cultures and identities, while meeting local needs.

The Corporate Citizenship Policy describes areas of focus to ensure effective coordination of the voluntary activities at all locations. The Policy orients both employees and stakeholders. The decision upon the specific measures to be taken and the external partners to cooperate with locally lies with the local management.

The Policy builds upon HeidelbergCement's Leadership Principles, the Code of Business Conduct as well as other compliance standards and the sustainability strategy.



### 3 Areas of focus as a corporate citizen

**HeidelbergCement's involvement depends on the proximity to its core business. HeidelbergCement makes the strongest commitment in areas where the company has the most expertise and can achieve the best impact for society. Collaboration with partners active in development and international cooperation can be relevant in order to increase the impact.**

#### ■ Building, architecture, infrastructure

Supplying building materials and services in the field of construction contributes to improving the quality of life in many countries. HeidelbergCement's products stand for quality and its entrepreneurial activities align with the principle "for better building". Providing practical help in the construction of buildings and infrastructure for the benefit of society is an important area of focus of voluntary activities at HeidelbergCement. The products, expertise, time and finances of HeidelbergCement are made available for this purpose. HeidelbergCement also supports architectural concepts that already incorporate the requirements of tomorrow's society and encourage the necessary dialogue in the construction industry.

#### ■ Environment, climate, biodiversity

HeidelbergCement uses natural resources and its quarries encroach upon nature. The aim is to use resources as efficiently as possible, minimize the impact from quarrying, production and distribution and generate positive effects for the environment, flora and fauna. To this end, HeidelbergCement cooperates with partners globally and locally at the locations in order to preserve and protect environment by promoting climate protection and biological diversity. HeidelbergCement can also be involved in specific sustainable land management projects surrounding operations that contribute to positive environmental changes and improve local communities' welfare and awareness. HeidelbergCement supports organisations and projects that improve ecological knowledge and strengthen awareness of the diversity of nature at our locations.

#### ■ Education, training, culture

A sustainable society needs creativity and innovation. HeidelbergCement wants to provide an impetus by fostering potential and encouraging initiatives, such as educational partnerships. The aim is to improve young people's chances of succeeding in professional life by developing their interest and understanding of technical and economical interrelationships and by enabling and encouraging entrepreneurial spirit. Promoting culture helps increase creativity, diversity and the quality of life at our locations. HeidelbergCement supports cultural initiatives that benefit the wider public and promote social harmony and cohabitation.





## 4 Principles

### HeidelbergCement supports projects, organisations and initiatives

- based at locations and in the countries where HeidelbergCement operates. Supra-regional organisations receive support, provided that they are active within defined areas of focus and sponsor initiatives in countries connected to HeidelbergCement,
- that align with HeidelbergCement's Code of Business Conduct, and other compliance standards, the Leadership Principles and sustainability strategy,
- that create long term benefits and value for society and have a high profile within society,
- that meet the legal regulations in both the country providing the resources and the country in which the donations are used,
- that are geared towards longer-term activities and impact.

HeidelbergCement carries out its sponsorship activities in a neutral and transparent fashion. When deciding to get involved with certain activities, HeidelbergCement reviews specific proposals that demonstrate consistency with the Corporate Citizenship Policy. All countries should keep track of their corporate citizenship efforts and develop a suitable reporting to inform about the time and money that has been donated. Successful corporate citizenship projects should be made public internally and externally by adequate means in order to transport a positive image.

Support measures to increase customer loyalty are not covered by the Corporate Citizenship Policy. These measures are the responsibility of the sales and marketing organization, as regards both content and budget, and are not communicated as a corporate citizenship activity.

Special attention is required for Corporate Citizenship activities which are carried out in the course of an investment project since they bear the risk to be considered as a form of attempted influence. In order to prevent even the perception of non-compliant behavior in the context of investment projects, the relevant provisions of the Group Anti-Corruption Guideline must be strictly adhered to.

## 5 Resources

### ■ Sponsoring:

HeidelbergCement promotes numerous activities in its locations by means of sponsoring. The only additional requirement is that HeidelbergCement's particular subsidiary is named as a sponsor. Sponsoring activities must also be in line with the areas of focus for corporate citizenship.

### ■ Donations:

- Material donations: When practical, HeidelbergCement will provide support through its competence in building materials by making materials available for the construction of buildings and infrastructure.
- Monetary donations: HeidelbergCement seeks to provide impetus, not creating dependencies. Hence, subsidiaries within HeidelbergCement will only sponsor projects through one-off donations with the exception of grants to organisations that can provide evidence that they obtain the majority of their funds from other sources. Organisations that receive donations must be recognised as charitable. Donations should be tax-deductible, subject to the applicable national law.

### ■ Knowledge transfer:

HeidelbergCement provides competence and advice in all fields of building material use and application. Aside of this HeidelbergCement also supports education and training programs for communities around its locations. This includes professional training executed by HeidelbergCement employees or external tutors but also scholarship sponsoring.

### ■ Employee volunteering:

HeidelbergCement encourages all employees to invest their time and expertise for the benefit of local community at our locations, within the scope of the defined areas of focus for corporate citizenship. The spectrum of employee volunteering includes supporting local organisations with management expertise (e.g. financial planning, personnel development, office organisation, marketing), as well as mentoring programmes and classic volunteering – getting involved with social and ecological concerns. Employee involvement is subject to approval by the company.



## 6 Regulation of responsibilities

1. The Sustainability Committee, under the leadership of the CEO, determines the Group-wide Corporate Citizenship Policy.
2. Group Communication regularly gathers information about all the Group's corporate citizenship activities and reports on them as part of HeidelbergCement's sustainability communication. Group Communication is also responsible for the projects at our headquarters.
3. Decisions about local sponsorship activities are decentralised, made within local budgetary frameworks. Country managers are responsible for examining and implementing the projects, as well as for passing on the information to Group Communication.



for better building

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