

Living our values

2013 Sustainable Development Report

PT Holcim Indonesia Tbk



Our vision

Building sustainable solutions for society's future.

Our values

Partnership

Delivery

Care

Living our values

Holcim Indonesia produces two major reports every year.

The Annual Report.

A detailed account of our financial and operational performance for shareholders and the investment community.

The Sustainable Development Report.

Explores our contributions to local economic development, environmental management, and social responsibility.



Working daily with Holcim's retailers and masons on best practices in building materials and applications.



From educational scholarships to health, safety and community empowerment – Maloko stone quarry.

Customer focused. Our Ready-mixed concrete group delivered a five year record in shipment to serve a wide range of customer project specifications and needs. Tuban, our new plant will ensure we have the capacity to meet customer needs.



People. As our organisation grows, we continually invest in vocational, commercial, technical and leadership skills for our employees. Graduates developed a new sorter system for ball mill use at the Cilacap plant.



Presence. We continued to extend our supply footprint. A new hub with bulk cement delivery and a packing plant was launched in Pontianak in October.



Community. We formally launched a new policy to strengthen our efforts to support and encourage learning, health, safety, enterprise and care for the environment, among neighbourhood communities.



Health and Safety. We doubled the amount of safety training at our plants and facilities during the past year, with no less than three safe driving programmes running concurrently. Companywide health checks are conducted annually.



Environment. We were once again recognised for maintaining the highest environmental standards at our sites. We invested in extra capacity in waste management solutions and continued to advocate low impact, energy efficient, sustainable construction.



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Holcim Indonesia CEO Eamon Ginley emphasises the importance of a balanced performance through the triple bottom line philosophy that underlines this report and the corporate values of Partnership, Delivery and Care.



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Safety First, No Compromise

The company reports on safety for 2013 as part of our commitment to zero harm in everything we do.



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Keeping our Focus

To compete in dynamic times we strengthened the commitment to the principles that make us stand out from the competition by creating value for our customers.



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Environment

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Caring for the Environment

We report on how we performed as a responsible environmental company, maximising our positive impacts and minimising negative ones.



Society

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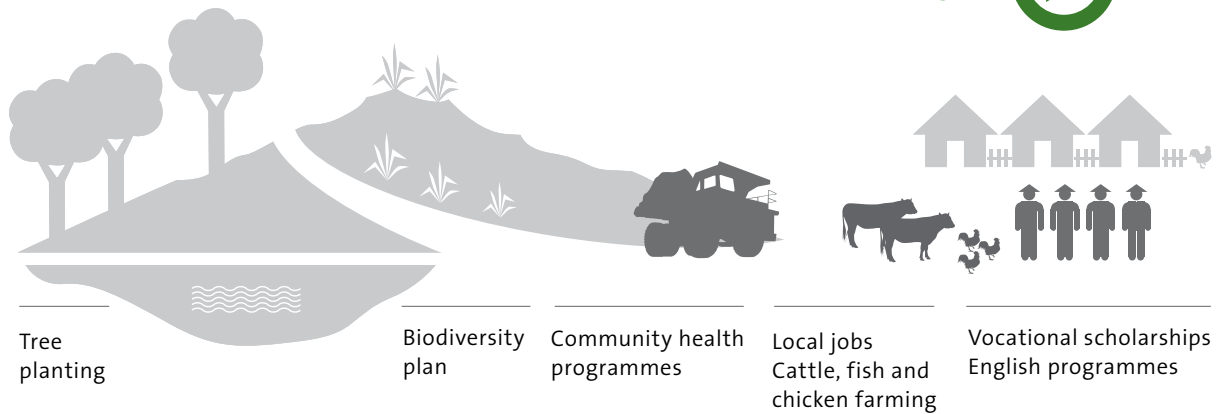
Looking after Our People

We have a large and expanding number of stakeholders for whom we create value, in one form or another.

Creating value at every step

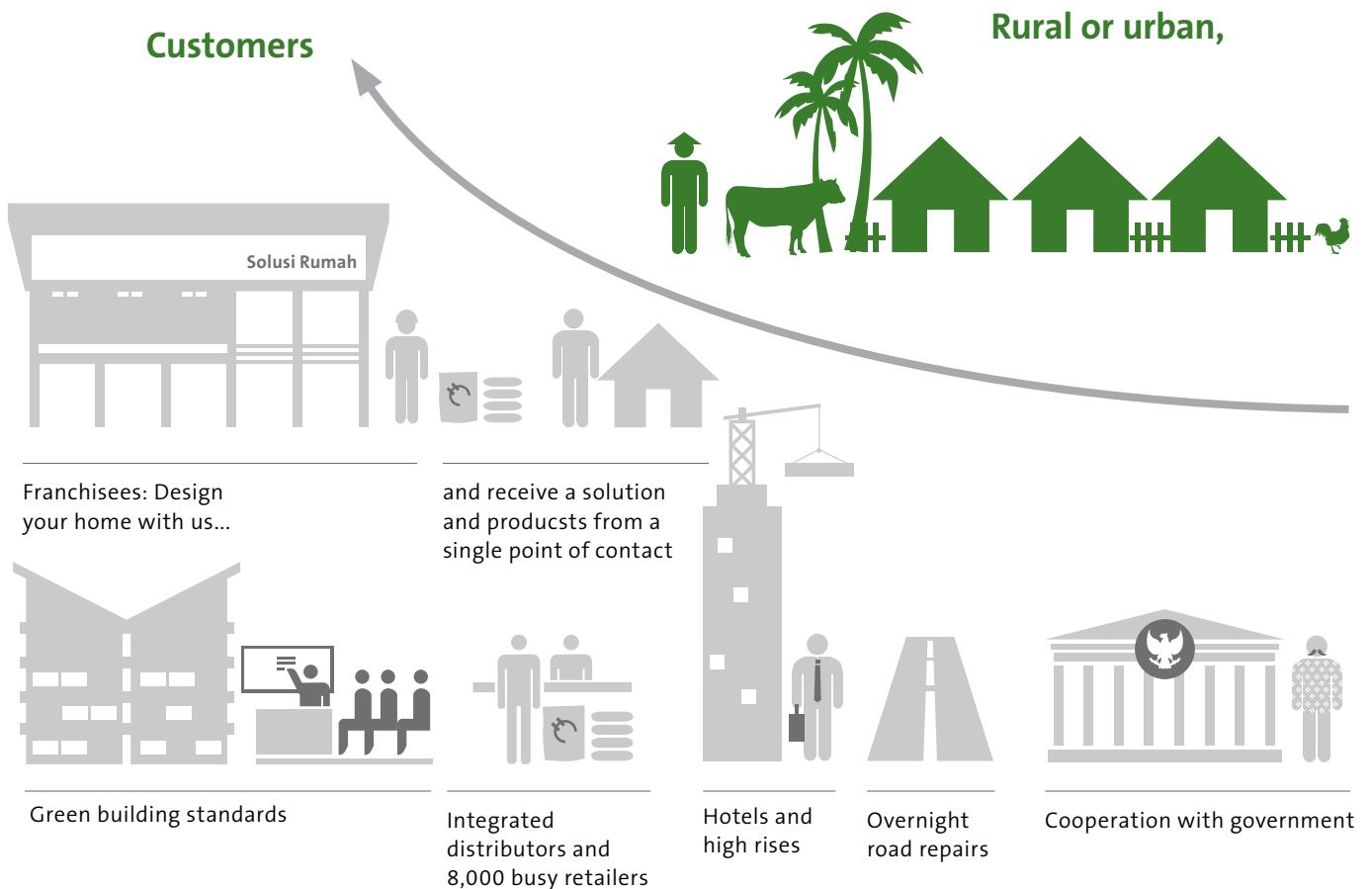
Holcim doesn't just sell cement and concrete products. We work across neighbourhoods, communities, societies and regions, drawing on multiple skills to meet the expectations of multiple stakeholders.

Quarry

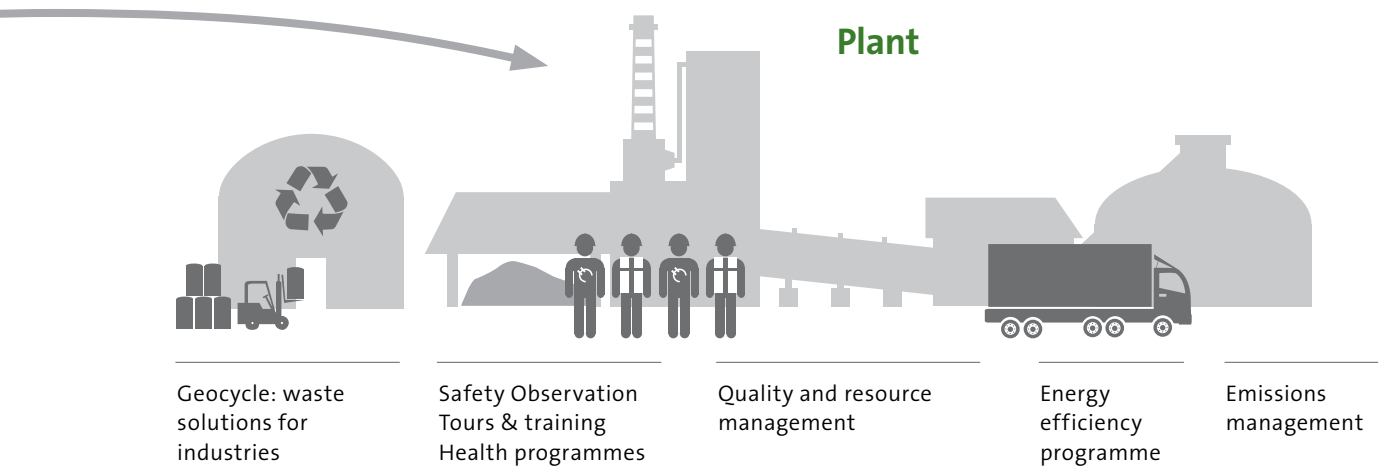



Customers

Rural or urban,



In the Holcim value chain, **everyone** is a valued customer.
 "Working together, building together".



we LOVE communities



Supply Chain



Ready-mixed & Aggregates



Safety training handbook for contractors

Rail and sea linkages expanded alongside palletiser facilities

New supply hub

RMX batching plants: at site or mobile

MiniMix trucks: door to door delivery

Why Sustainability? To manage a world under pressure



Cement is the world's most common building material and at Holcim Indonesia we're proud that our products create homes, schools and hospitals, roads and bridges, ports and airports, shopping malls, as well as power plants and parks. But even the best kinds of development come at a cost.

Globally, our industry is responsible for 5 per cent of total greenhouse gas emissions, produced when we create the temperatures needed to produce safe, affordable cement.

Cement is vital to modern life, so these emissions must be controlled and reduced wherever possible.

Meanwhile, the daily operations of the world's buildings make up over 70 per cent of global greenhouse gas emissions – this is mostly energy spent on heating, lighting and cooling buildings to make them habitable.

If all the world's buildings used 50 per cent less energy to operate, **then global warming rates could be more than halved**. The good news is, the technology to do this is already here. At Holcim Indonesia we have created such a building in Jakarta because we believe Sustainable Construction is the future.

But supporting Sustainable Construction also means finding solutions to specific local problems, not just global ones. In Indonesia these challenges include:

Issues

Holcim Solutions



Overcrowding: as urban centres swell with people.

We offer a wide range of **safe, affordable housing solutions**



Higher pollution in air, on land and in water.

We minimise our operating footprint and work for positive change via our **Geocycle** unit, the future of **responsible waste management** in Indonesia



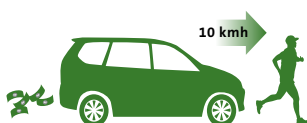
Flooding (est. 500,000 people displaced in Indonesia in 2013)

Our ThruCrete prevents surface flooding, SpeedCrete repairs flood damaged roads



Land conflicts between communities and businesses rise

We treat our neighbours as valued partners and work together to build sustainable solutions



Traffic jams, not just Jakarta, but now increasingly common in all Indonesia's provinces

Our SpeedCrete product is fast becoming a benchmark for fast and highly durable road repairs. In our operations we use rail and sea, whenever we can.



Unsustainable construction leading to a **lack of green spaces**

We created **the Eco-Campus and Eco-home in tune with local environments**. We plant trees whenever we can to support integrated systems not concrete jungles.



Gaps in higher-quality infrastructure: roads, public transport, schools, hospitals, power plants and ports

Every year we help build more of these, our focus is on quality that lasts.



Shortages of affordable building materials – new capacity is needed

We invested USD450 million in an expansion to help make shortages a thing of the past.



Social gaps are widening. To escape poverty traps people need more **education, skills and incomes**

We provide education and training opportunities to a growing range of stakeholders – our employees, our contractors, and our business partners. We focus on helping local communities to create livelihoods

Message from the President Director

Living Our Values in

Changing Times



CEO Eamon Ginley emphasises a balanced performance that places the Environment and Society alongside responsible Economic growth, a triple bottom line and sustainable growth.



CEO Eamon Ginley enjoys local delicacies created by women trained in food processing in a community development project supported by Holcim Tuban.

At Holcim Indonesia we have embedded a triple bottom line philosophy into every aspect of our business, and by doing so we are focused on creating real solutions for Indonesia's specific challenges. We have refined this philosophy into the Holcim vision statement – "Building Sustainable Solutions for Society's Future" expressed in our Corporate Values of "**Partnership**," "**Delivery**" and "**Care**."

Partnership is our strength reflecting the many ways we work together with all stakeholders towards a better society. Delivery is our performance, how we keep our promises to stakeholders through our economic, environmental and social results. Care is our passion and relates to our focus on people their health, safety, human rights and governance as well as the environment around us. This report describes how well we are "Living our Values."

The report, our eighth, documents our progress on the sustainability journey and has been compiled in accordance with the internationally recognized Global Reporting Initiative (GRI). Here are some of the highlights.

Safety

In a year when we achieved 2.78 million hours among our own employees without time lost to injury, and a further 6.3 million hours at Tuban since the project first commenced, it is with regret we report the fatality of one contractor on site and another in a traffic incident. In both cases, laid down safety procedures had not been followed, with tragic consequences.

Separately, two teenagers ignored warning signs, trespassed and were drowned in a flooded clay pit. We have extended our fencing and perimeter walls, hired and trained additional security personnel to prevent illegal entry to any aspect of our site.

My deepest sympathies go to the families, friends and colleagues of those involved. These incidents were all thoroughly investigated and the lessons learned were shared throughout the company and with our contractors via communications and through targeted training and safety refreshment to prevent future such occurrences.

Economy

There was considerable opportunity amid rising competition in property and construction, including new entrants in the building materials sector in 2013, despite a slowdown in the economy and tighter credit conditions. The greatest growth in cement sales occurred in Java, rising 7.6 per cent to 32.7 million tonnes while sales growth outside Java grew by 2.8 per cent to 25.3 million tonnes. Cement demand gained momentum towards the end of the year and we closed 2013 maintaining price support to offset some increases in transportation costs.

In sustainability terms, our investments enabled us to deliver on our promises. We continued to expand our capacity to provide with better products and services – our solutions – for customers, maintained a focus on zero harm in health and safety. 2013 was a year where we opened a new quarry and completed the first phase of our Tuban Plant. We invested in our waste solutions business, renewed and expanded our logistics and supply chain in Java as well as extended our reach in the inter island markets.



20 new Community Empowerment Centers (Posdaya) open in Narogong



We employed more people than ever before and increased our commitment to training staff, contractors and business partners. Community development spending increased 83 per cent from the year before.

Environment

Our key environmental performance indicator as a business is the level of CO₂ emissions per tonne and in 2013 we continued to reduce these by 1.8 per cent via a focus on resource conservation, energy saving and increased efficiencies in our supply chain.

Using the disciplines of daily monitoring of resource use, emissions and the use of hazard alerts we are able to minimise the impact of our operations and comply with all regulatory standards. Our community relations teams keep local people informed.

Once again we were recognised by the Environment Ministry for outstanding performance in their "PROPER" awards.

Society

As a major business in Indonesia it is inevitable that we have a large and highly diverse range of stakeholders from neighbourhood communities to proud homeowners, from local government officials to large corporate customers. Managing our reputation, engaging with our stakeholders and finding shared

Rp

83%

Community support in 2013 totalled **Rp 28 billion**

spent on **education to build roads schools key infrastructure, and by training masons to be better builders**

values is a part of the work of each and every Holcim employee – as our ambassadors they deliver our values, day to day. During 2013 we consulted together across the organisation to develop a clear understanding on aligning individual and company aspirations. Through internal communications channels we have addressed a wide range of issues including personal health and safety, governance and ethics, commercial, environmental and social goals. There were many reasons to celebrate our achievements in 2013, not least a string of external awards for best practice in each of the three core performances that make up our triple bottom line. In that sense we have lived our values and I take this opportunity to thank our employees and all our stakeholders for their support. There is much in this report to look back on with pride and many more exciting challenges for us in the future.

Eamon Ginley
President Director



Safety First



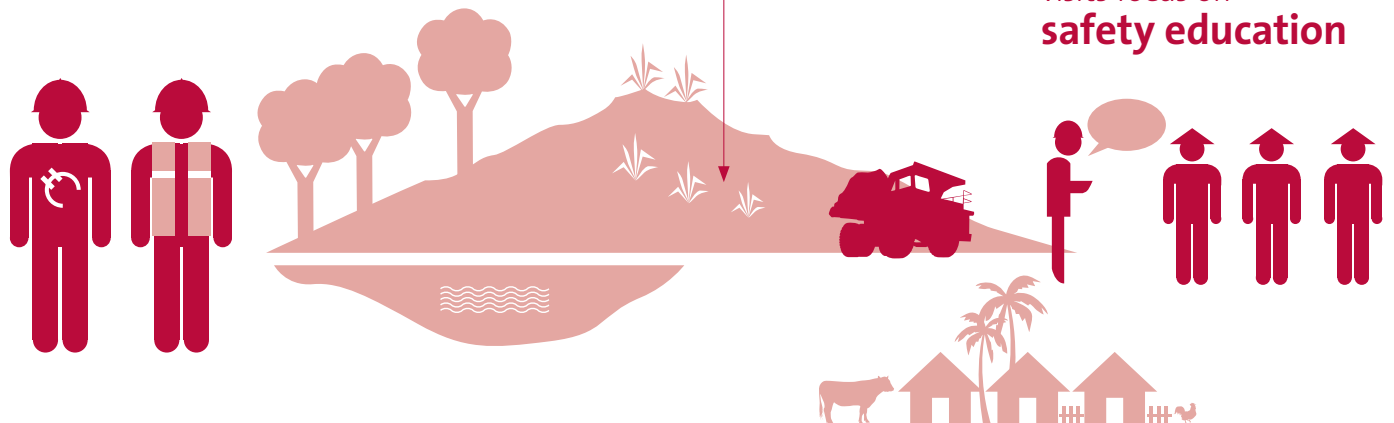
Safety drill simulation "at height" rescue at Narogong.

Safety First, No Compromise

In our motto “Safety First, No Compromise” Holcim is committed to zero harm in everything we do. Our workforce is comprised of 2,807 employees and approximately 4,500 third-party contractors; their health and safety, that of our visitors and the broader communities in which we operate are central to the continuing success of our business.

Quarries

Safe working-hours
2.1 million at all
quarries



Safety: extending our reach

2013 saw us continue to focus on increasing safety training to over 25,000 hours in total, with over 3,800 staff and contractors attending formal instruction outside of daily safety meetings and drills.

In a year when we achieved 2.78 million hours among our own employees without time lost to injury, and a further 6.3 million hours at Tuban since the project first commenced, it is with regret we reported the fatality of one contractor.

Laid down safety procedures had not been followed, with the tragic consequences that ensued. In a separate incident, two teenagers ignored warning signs, trespassed onto quarry land and were drowned in a flooded clay pit. We have extended our fencing and perimeter walls, hired and trained additional security personnel, increased levels of supervision, safety tours and safety awareness training among all contractors.

Outside our premises, a traffic accident resulting from brake failure, led to the loss of a third party contractor driver and a motorcyclist in a year when we

had no less than three separate road safety initiatives running concurrently. First, was a complete training programme for contractor transporters covering safe, efficient driving, including vehicle safety checks and fatigue prevention using checkpoints.

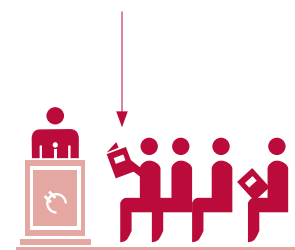
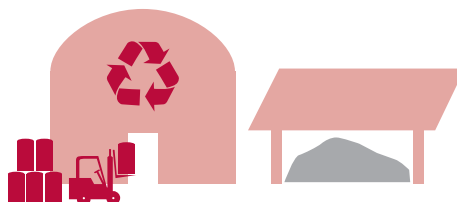
Second, our ready-mixed concrete truck safe driving programme has become a formal driving school. And third, for the last two years Geocycle waste transporters have been given safe driving training for hazardous waste shipments, resulting in a zero incident record to date. Looking ahead our focus will continue to be on transforming attitudes on safety among contractors in every operation, but particularly for construction work at Tuban with as many as 4,500 workers on site at peak activity periods. Manager Safety Tours of Duty will continue.

Since we again beat our targets for employee safety we have set tougher targets for 2014, reducing from 0.7 to 0.5 for lost time injuries - frequency rate, and from 3.5 to 3.0 for lost time injuries - severity rate. Door to door health monitoring and Individual Health Development Programme for employees are also being maintained.

Geocycle

Key improvements to safety systems in waste storage areas: Safety Observation Tours and inspections

A safety handbook for contractors, an industry benchmark, launched in 2013



A full description of our safety statistics including time lost to injury severity and frequency rates can be found in the GRI indicators at the back of this report.

Safety through the value chain

Safety flows through Holcim Indonesia’s value chain with Toolbox meetings held in all our main locations of operation starting at our quarries, through our plants and Geocycle operations, at our distribution centres, at Concrete Batching Plants, via safe driving programmes and through community education.

Road safety

Recognising increasingly dangerous road conditions in Indonesia, our Logistics Safety Initiative (LSI) programme commenced roll out in 2013, while the Geocycle team created a Driver Safety Handbook on hazardous waste transport.

The LSI programme during 2013 included 372 of our contractor drivers attending defensive driving programmes, with 106 certified at an advanced level. Checking and certification will be ongoing, as part of our logistics safety journey.

Our doctors don’t just treat, they empower our people



Holcim has three full time Doctors supporting the company’s employees and their families as well as giving guidance to communities and our contractors.

During 2013, Holcim Indonesia continued to make occupational health and safety the number one priority, strictly guarding safety at workplaces and promoting safe behavior outside work.

For Holcim employees our efforts focused on living our “care” value, by promoting workplace safety in the context of wider healthy living principles, encouraging them to take charge of their own health by maximising the number of healthy options on offer at work.

Spearheading this holistic effort is Dr Kiki Sutjahyo, Occupational Health and Industrial Hygiene Coordinator. “In truth, you’re your own best doctor,” she says. “The more engaged, interested and informed you are about your own health, the better the opportunity for you and the doctor to work together on common goals and disease prevention”.

From morning aerobics sessions and healthy food options at lunchtime, to afternoon sports we expanded our programmes in 2013 and did our very best to make healthy choices easy, while our Mobile Health Expos, provided staff with accessible information and testing.

Our plant doctors continued to offer tailored individual health programmes to employees, complimenting our regular health check-ups.

We have halved the number of staff judged to be at-risk to common ailments since 2009.

Plant

Safety training up 112% - to 25,075 hours in 2013; participants rose fourfold to **3,832** people

9,700 contestants in Safety Push & Pull Programme **up 300%** including contractors

6 million accident free manhours worked at Tuban Construction

Regular **Manager's Safety Tours of Duty**, a programme focused on line manager responsibilities

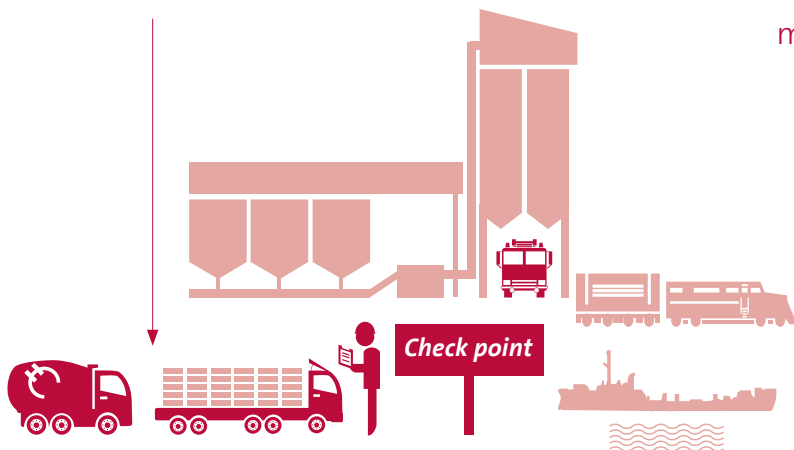
218 people joined our Individual Health Development Programme





Supply Chain

Logistics Safety Initiative
reduced preventable road
 accidents by **29%** in first year



Ready-mixed & Aggregates

Safety record - **2.3 million**
 manhours accident free -
 Holcim staff and **3.2 million**
 manhours for contractors



Manager Safety Tour of Duty exercise in Narogong.



Clinics for hazardous waste drivers included sessions on dealing with chemical spills, and we operated door-to-door driver and staff safety programmes and health checkups at our six busiest concrete batching plants. Over the year we made 59,462 fatigue checks on drivers at both our Narogong and Cilacap plants.

We continued our Come Home Safely programme for staff by providing bus and van transportation from our plants to their homes.

Safety awards and appointments

- SMK3 and OHSAS 18001 accreditation maintained
- Holder of the three yearly Golden Flag Award from the Ministry of Manpower, 90% score
- Company representative appointed to the National Safety Council for Indonesia executive (fourth time since 2007)

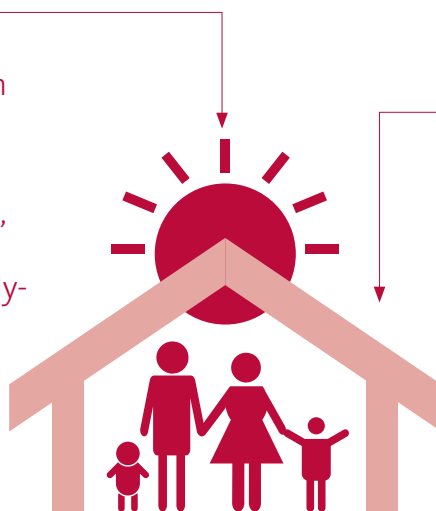
Communities

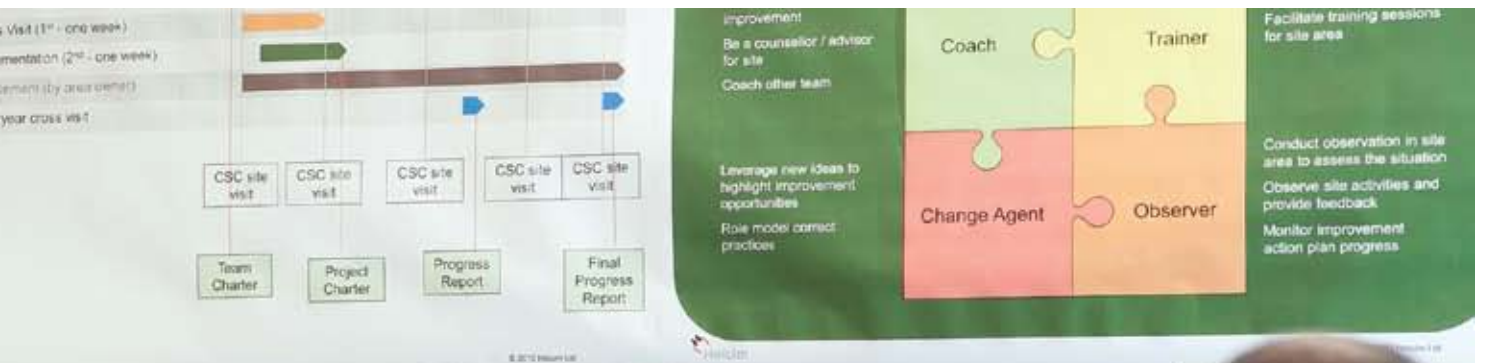
Health and safety in the community:

Vaccinations and public health support through **20 Green Posdaya** at Narogong Plant and **48 Posdaya** at Cilacap, and via Community Relations representatives at all our Ready-mixed Batching Plants

45 Community health centers (Posyandu) supported in 2013

3,150 vaccinations performed in 2013





Contractors in Tuban trained using a safety platform.

Fatigue programme proves a wakeup call for drivers

Smooth, on-time deliveries of cement and concrete products play a vital role in ensuring high sales volumes and happy customers.

But that's not the whole picture, says Dhanang Kusuma Wijaya. During 2013 his team won a Holcim Group regional award for safety for their programme which is now being benchmarked by other group companies.

Their greatest achievement? Increasing the monitoring of Holcim's key business partners, all to ensure that contractor drivers slept more and drove less.

Indonesia's roads are dangerous places with an estimated 40,000 deaths caused by road accidents every year, with around 60-80 per cent believed to be preventable. The Driver Fatigue Safety Programme sought to reduce the high level of preventable accidents among Holcim's third-party contractors. In 2011, numbers broadly reflected national norms for commercial transporters.

"The accident data we looked at cited fatigue as a key cause in almost 80 per cent of all road accidents," Dhanang says, "so that's where we focussed our efforts."

Starting in 2012, Dhanang and two teams worked around the clock to impose a strict fatigue testing regime on a selected group of Holcim's seven largest contractors, establishing testing points at multiple points across Holcim's Supply Chain footprint in Java.

With an approach that rewarded good overall performance with more work and penalised laggards, the scheme proved a wake-up call for drivers and contractors. In 2013 the scheme was launched across all 25 of Holcim's contractors, and is being trialled in other Holcim operations in Asia.

The result: In 2013, the programme saw preventable road accidents reduced by 29 per cent with total accidents down 26 per cent.







The SpeedCrete solution in action - repairing roads in Jakarta.

Economy



Keeping our Focus

Holcim Indonesia continued to expand into a competitive market in 2013 by keeping our customer focus.

Quarries

Prepared a **new quarry** at Ciwandan to supply aggregates customers

Transformed Cibadak Quarry into Cibadak Educational Forest

- Total rehabilitation of quarry into centre for **tourism**
- Zones of trees and crops to provide community **income**
- Nursery and facilities for **agricultural studies**



As increased supplies of cement came online and more players entered Indonesia, a combination of external and internal events saw demand for cement products weaken and competition become more intense.

To compete in these dynamic times, we strengthened our commitment to the principles that make us stand out from the competition – our focus on creating value for our customers through excellence achieved in the sustainability of our operations.

Throughout the supply chain, we continued to move closer to our many customers, linking every increase in scale or performance to an equal improvement in quality, or added value. In this way we sought to match our expansions with greater efficiencies, safety, more productivity and higher conservation.

As we opened a new quarry in one area, in another we transformed a former mine into a centre for education (see page 38). At Narogong, we gave the green-light to a major expansion of our Geocycle waste solutions service, and reduced our reliance on fossil fuels (see page 31).



Ibu Indrawati, a satisfied Solusi Rumah customer, who used the five easy steps to renovate her house.

Geocycle

Began our **GreenZONE expansion** to increase waste processing capacity in Narogong by **three times**

Extended our customer site consultation services into new areas including **oil and gas** exploration and production

Two **Customer Gatherings** saw 35 new large companies choosing Geocycle in 2013 alone



Mudik Bersama and a new loyalty club that rewards training, professionalism



Now in its ninth year, Holcim's annual Mudik Bersama event had the usual feel-good vibe in 2013 – with music, fun competitions, exhibits and giveaways, as Holcim showed its commitment to these key business partners sending them safely home during the annual Moslem Eid holiday.

The events held in three cities nationwide saw more than 5,000 masons returning to more than 100 different destinations in Java and Sumatra, using 140 buses and a ferry.

Since the programme began in 2005, Holcim

has now helped 49,000 masons return to their hometowns.

But this year, many masons were receiving an enhanced homecoming experience, via a new loyalty scheme – Klab Mason. This is a programme run at the community level, with regular meetings, that rewards Holcim- trained masons with a range of benefits and perks.

Open to all “Expert-level Masons” who have completed Holcim’s training programmes, Klab Mason aims to improve skills and professionalism nationwide and was introduced in pilot projects in Jakarta in November 2012 before being rolled out in other areas.

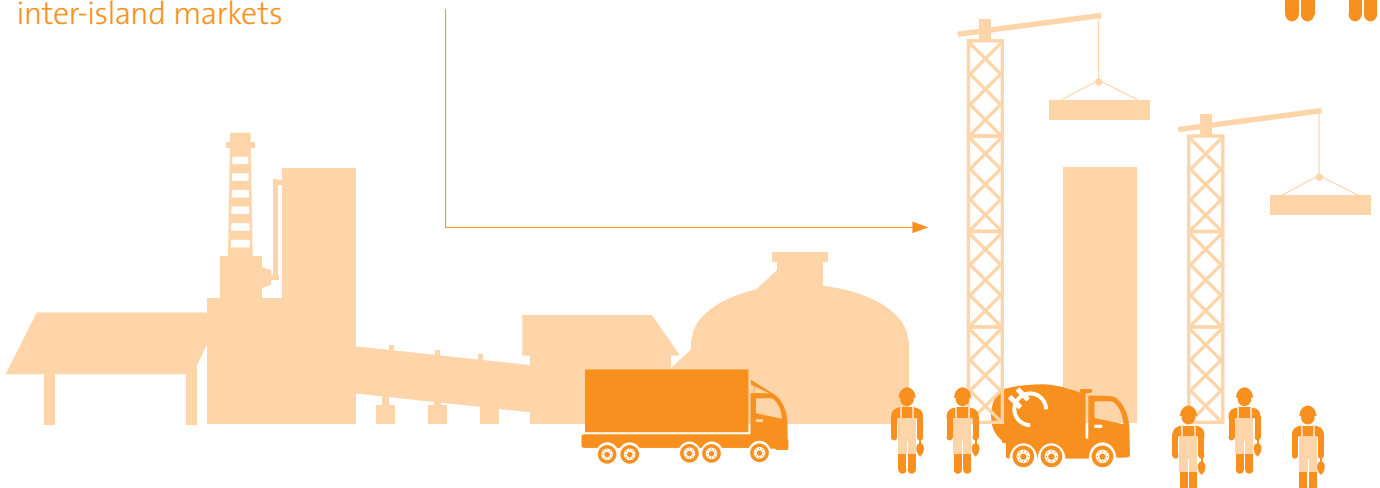
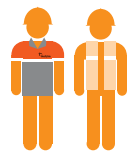
Djoko Kirmanto, the Public Works Minister, officially opened the Cibubur underpass road built using Holcim expertise.



Plant

USD450 million Tuban plant, line one operational in October completing our footprint on Java and providing access to inter-island markets

Our factories employed more people currently **2,800 staff** and **4,500 contractors**





Our ready-mixed concrete business expanded by 20 per cent to 2.3 million cubic metres in concrete shipments.

Further extending our reach, we opened new silos and packing plants, replacing the use of trucks with rail and ship wherever more efficient. Our on-time and safe delivery monitoring programme, reduced our accident rate and created a new safety benchmark.

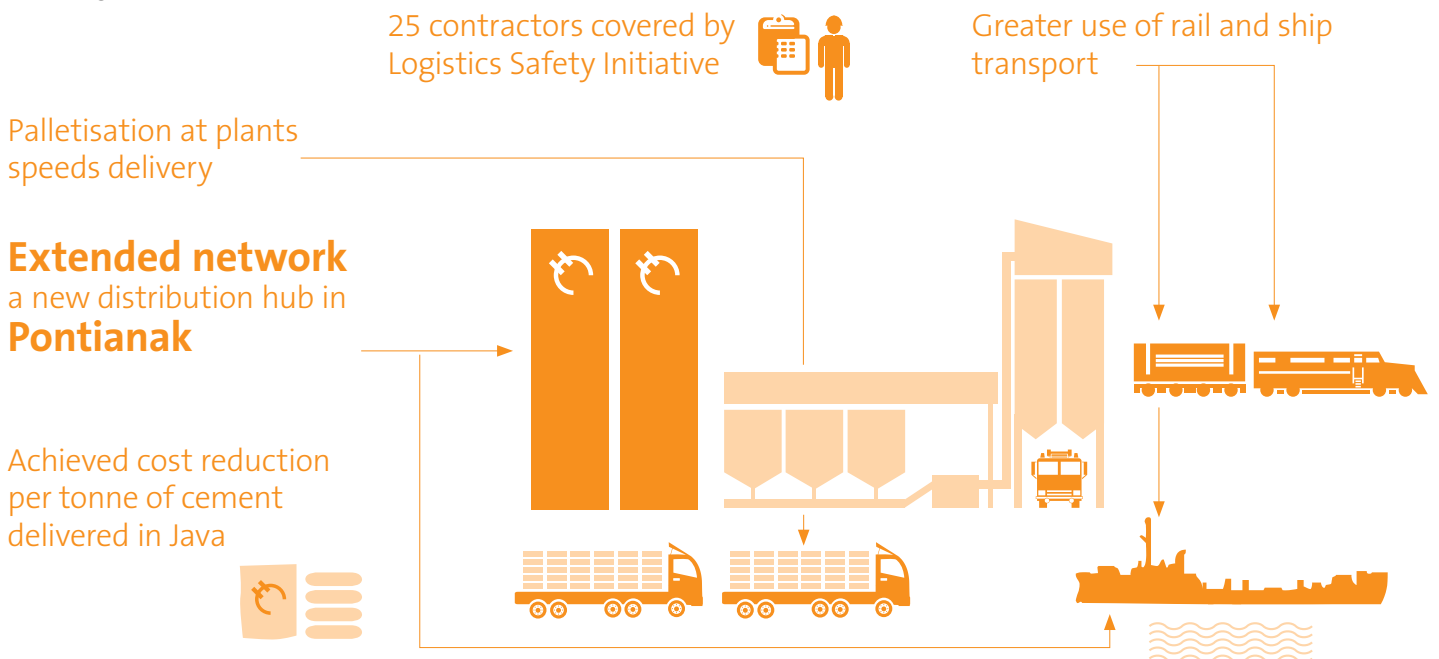
Commercial Strategy: A focus on our customer

The main thrust of our commercial strategy on 2013 was a series of improvements, in segmenting markets. Quarterly distributor gatherings and regular retailer forum events helped us keep in close touch with our customers.

We supported high profile city improvements

Our Aksi Membangun programme reached out to 10,000 people in 13 cities, generating cement sales and house building opportunities for our Solusi Rumah franchise. A series of talk shows were used to convey practical advice in the application of our products and the advantages of the Solusi Rumah affordable housing service. The programme included a sustainable development theme to assist communities to restore public facilities with the results judged in a city level competition, prize-winners featured on local television stations and in local newspapers.

Supply Chain

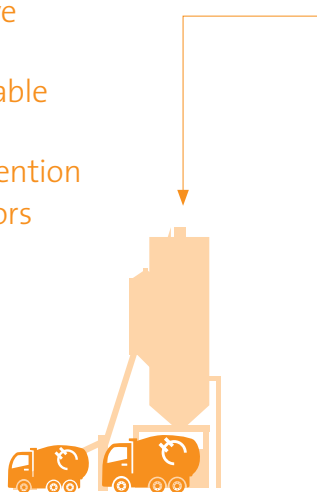




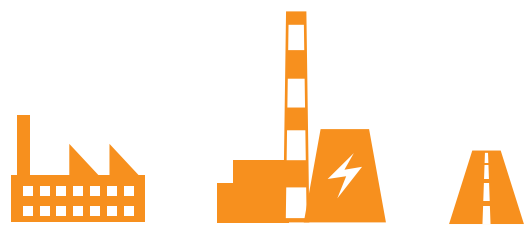
Ready-mixed & Aggregates

Value Added Solutions improve Sustainability:

- **SpeedCrete** for fast durable road repairs
- **ThruCrete** for flood prevention
- **FlowCrete** for lighter floors



Total Ready-mixed poured:
1.8 million cubic metres



Support for large infrastructure projects

- Steel blast furnace in Cilegon
- PLN Adipala Power Plant 2, Central Java
- Karang Kandri power project, Cilacap
- Cikampek – Palimanan toll road repairs



Our Speedcrete solution that can repair roads in as little as seven hours is becoming increasingly popular.

SpeedCrete: our value-added solution

How we deliver on roads

Holcim Indonesia's high-performance SpeedCrete® proved a hit with developers and highway operators during 2013, with volumes rising 22 per cent, and just one of many ways the company delivered on its vision: "Building Sustainable Solutions For Society's Future."

SpeedCrete along with our other solutions helped our ready-mixed concrete operations score a five-year record in 2013.

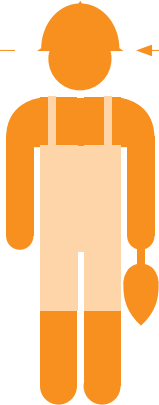
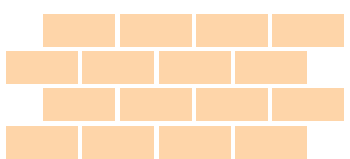
The high demand for concrete was from a wide range of projects including toll road projects, commercial buildings, heavy industry and infrastructure, a power station and the extension of Indonesia's second largest airport near Surabaya.

Launched into the market in 2010 after trials, SpeedCrete combines proven technology with experienced personnel, careful planning and execution to guarantee that an entire concreting operation would take no more than seven hours. The work also meets international standards for both ready-mixed concrete and construction work and is particularly useful in road repairs.

Word of mouth, saw demand for this service pick up annually and by late 2013, the Jakarta Provincial Government began studying SpeedCrete as a government-approved standard solution for all road repairs in the city. This is a major endorsement for our product.

Our building partners

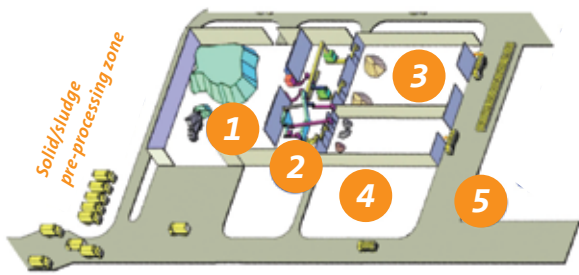
Our annual **Gala Bola** football tournament had **1,400 masons** take part from 14 cities



Our masons joined the **KLAB Mason** loyalty programme rewarding skills training with benefits



5,000 masons home safely at Mudik Bersama on **140 buses** and one ferry. **49,000** masons transported since 2005

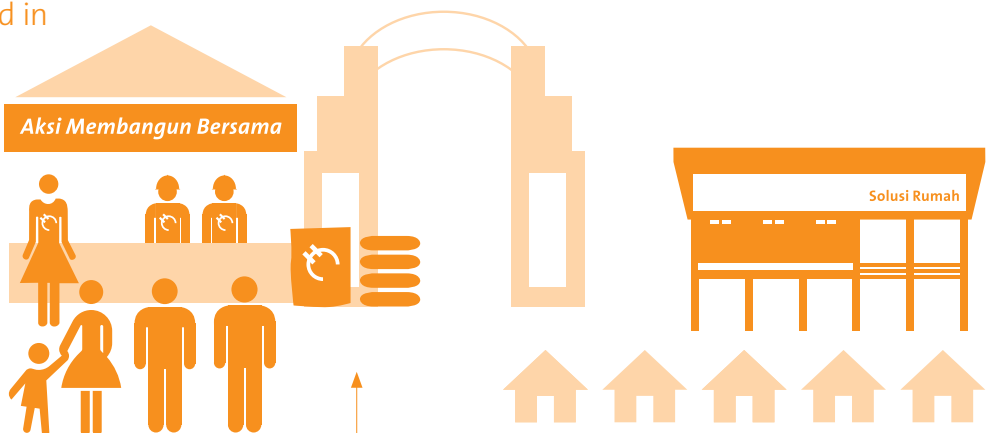


- 1 Waste incoming area
- 2 Solid processing area
- 3 Product storage
- 4 Sludge processing area
- 5 Laboratory

Our valued customers in the community

Aksi Membangun Bersama

Beautifies communities. Held in **96 neighbourhood** subdistricts in **13 cities** across Java & Bali



4,000 people in educational building seminars **10,000** in the restoration campaigns

Sold materials to build **500 safe, affordable homes** in 2013 - 2,300 built since 2008

Taking waste management to the next level:

Welcome to the **GreenZONE**

Our Geocycle business has begun a major expansion at Narogong Plant, which aims to take responsible waste management to the next level.

Geocycle uses treated waste as an alternative fuel for making cement in a system known as co-processing. Co-processing reduces Holcim's use of traditional fossil fuels – offsetting the company's CO₂ emissions and making it eligible to claim carbon credits. While such credits represent only modest cost savings for our Narogong and Cilacap cement plants, co-processing represents real added value for the environment.

In Indonesia, less than 10 per cent of industrial waste is believed to be disposed of properly, with the remainder dumped illegally and left to seep into land or water sources. However, on the bright side, as waste generators become more environmentally aware the demand for responsible waste management services, of the kind provided by Geocycle, is also increasing.

By increasing our capacity to manage and process waste - the GreenZone is a solution to this growing demand.

"The need for GreenZone came about because the current Geocycle has reached its limit in terms of capacity after our last major investment in 2008," says project manager, Pak Mulyadi of Corporate Technical Services. Since then, demand for Geocycle's services has steadily increased year by year and the plant is now having to turn away waste because it lacks sufficient capacity to deal with it.

Located at in a corner of Narogong Plant's old quarry area, the GreenZone platform will triple the capacity of the current operation in terms of the volumes of waste that can be stored and processed. For Geocycle's existing customers - mostly large established industrial waste generators - the zone will significantly increase service levels. For our new customers, it will provide certified waste management and comply to all regulations.

We launched Klab Mason

A new KLAB Mason loyalty programme has proven a great way to motivate Holcim-trained masons, offering advanced building skills training for greater professional standards. Masons represent a key stakeholder group through whom we can spread a positive influence by setting an example of the value of safe working practices, not only to prevent harm, but as a means to enhance productivity and improve building standards. Masons' reported that the use of Holcim Mobile labs on sites had done much to support sales for our brand.

Solusi Rumah

An additional concrete products manufacturer unit (CPM) was added to the Solusi Rumah franchise in 2013, which aims to provide safe, healthy and affordable building solutions. Under a specific improvement project we successfully deployed additional sales agents and new design software to enhance our offer.



We improved our products' availability by extending our supply chain into Java as well as interisland markets.





Sustainable manufacturing means healthier products

Additives in the production process helped reduce energy when grinding clinker. We also increased the amount of fly ash to create strong and highly durable binders in our Serba Guna brand. The results also lowered CO₂ emissions per tonne of cement produced.

Product labelling and safety

All our products are responsibly labelled, marketed, and regularly checked through their lifecycle for performance issues, with specific quality management programmes to monitor the results. We estimate that currently around 90 per cent of our cement bags are recycled by local informal waste collectors. Customer health and safety is also measured at each stage in a product's lifecycle.

We follow government standards (SNI) for product information and labelling; which covers raw material sourcing, content, safe use and disposal. For more on this please see Product Labelling and Safety Product Responsibility section of GRI indicators found at the back of this report.

Our new Tuban Plant will fulfill market needs.



En



Employees take part in tree planting at quarry.

Environment

Caring for the Environment every day, from our quarries to our customers

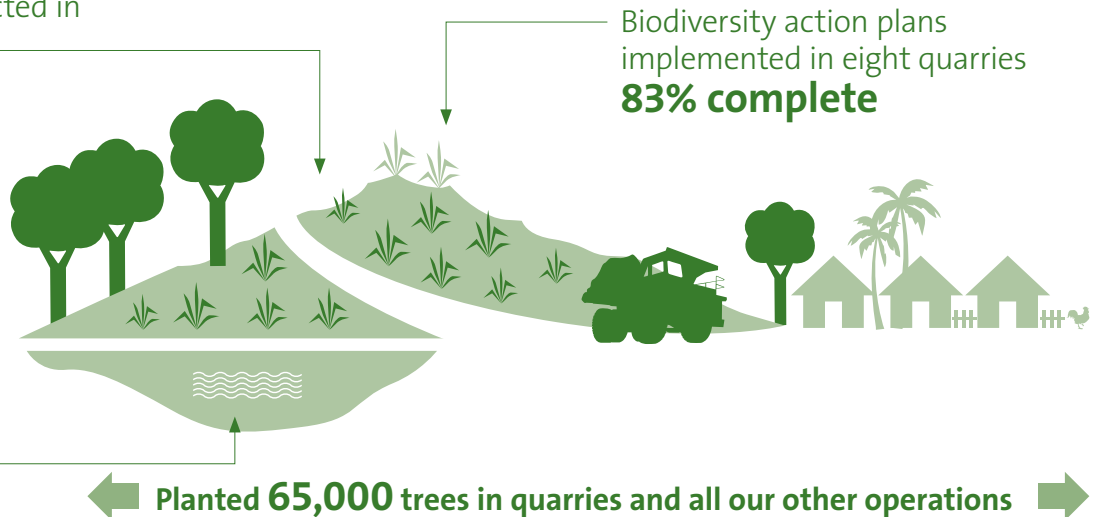
The cement industry globally produces a strong, durable and affordable product that has helped to build cities and transform societies, as the world's most common building material. It also results in significant CO₂ emissions which require careful management.

Quarries

650ha area in total designated as protected in Nusakambangan

45% efficiency in water withdrawal-per cubic metre of aggregate achieved in 2013

Biodiversity action plans implemented in eight quarries **83% complete**



As a member of the Holcim Group, we aim to minimise the environmental impact of our operations in line with our vision statement.

We do this by measuring our environmental performance throughout our value chain on a daily basis, including CO₂ and other emissions and their potential impacts.

Planting trees extensively around our plant sites provides buffer zones of shade and beauty as well as helping to mitigate emissions.

We manage our use of fossil fuels and electricity in our plants, quarries and logistics operations by making them as efficient as possible.

We convert waste into thermal energy and encourage responsible waste management through our Geocycle business.

We use our resources and knowledge to promote sustainable construction by helping to create landmark low impact buildings and by communications with stakeholders.

All these things make a difference to our CO₂ footprint. In 2013, these emissions remained stable as we continued to expand the business.

Biodiversity studies and quarry rehabilitation

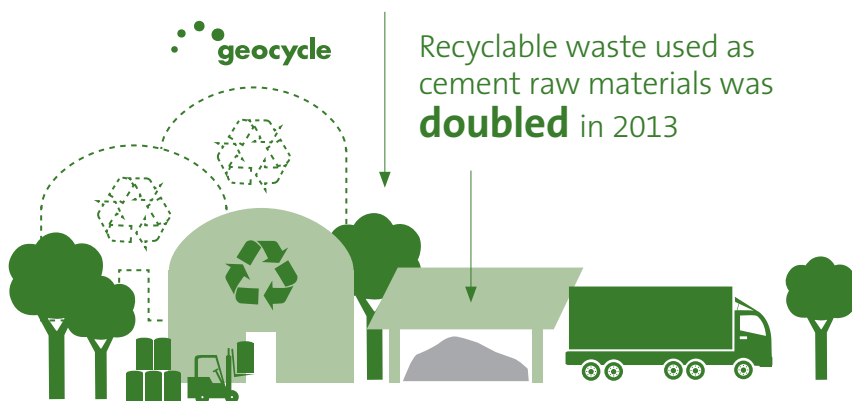
Our environmental plans begin in our quarries, in the form of biodiversity studies carried out to preserve natural cave formations and protect important flora and fauna. Our Five-Year Corporate Environmental Roadmap, requires all production sites and quarries must have biodiversity plans.

We found no at-risk species in our Tuban quarry as per IUCN Guidelines and Indonesian regulations.

At our Nusakambangan quarry site near Cilacap, we operate a 112 hectare quarry surrounded by 12,000 hectares of mostly high grade forest. Supported by Flora & Fauna International our biodiversity study identified and designated protected areas within our mining concession and created a multi-stakeholder conservation strategy for the entire island. Our island-wide audit identified three species on the IUCN Red List of protected flora and fauna and 20 rare or uncommon species including bats, birds and monkeys, although none were directly affected by our operations, which take up less than 1 per cent of the total land area. Working together with stakeholders in local government, the justice department and the prisons, we are now promoting the joint conservation strategy for the island.

Geocycle

New waste management capacity in planned **GreenZONE** will help mitigate natural resource usage through recycling and energy recovery



Recyclable waste used as cement raw materials was **doubled** in 2013

165,000 tonnes waste safely co-processed in 2013, **830,000 tonnes** since 2009



Helping our atmosphere:

Ozone Depleting Substance Facility safely destroys **799 kg ozone gases** in 2013. 4,709 kg destroyed since 2009



A new benchmark for rehabilitation The Cibadak Educational Forest

Before it was re-greened, the former quarry at Cibadak was a landscape of large silica boulders from blasting. Now it's a lush and green protected area which helps sustain local communities, is visited by tourists, and is studied by academics and schoolchildren. Holcim carries out rehabilitation work on all quarry areas and this is a first for Indonesia.

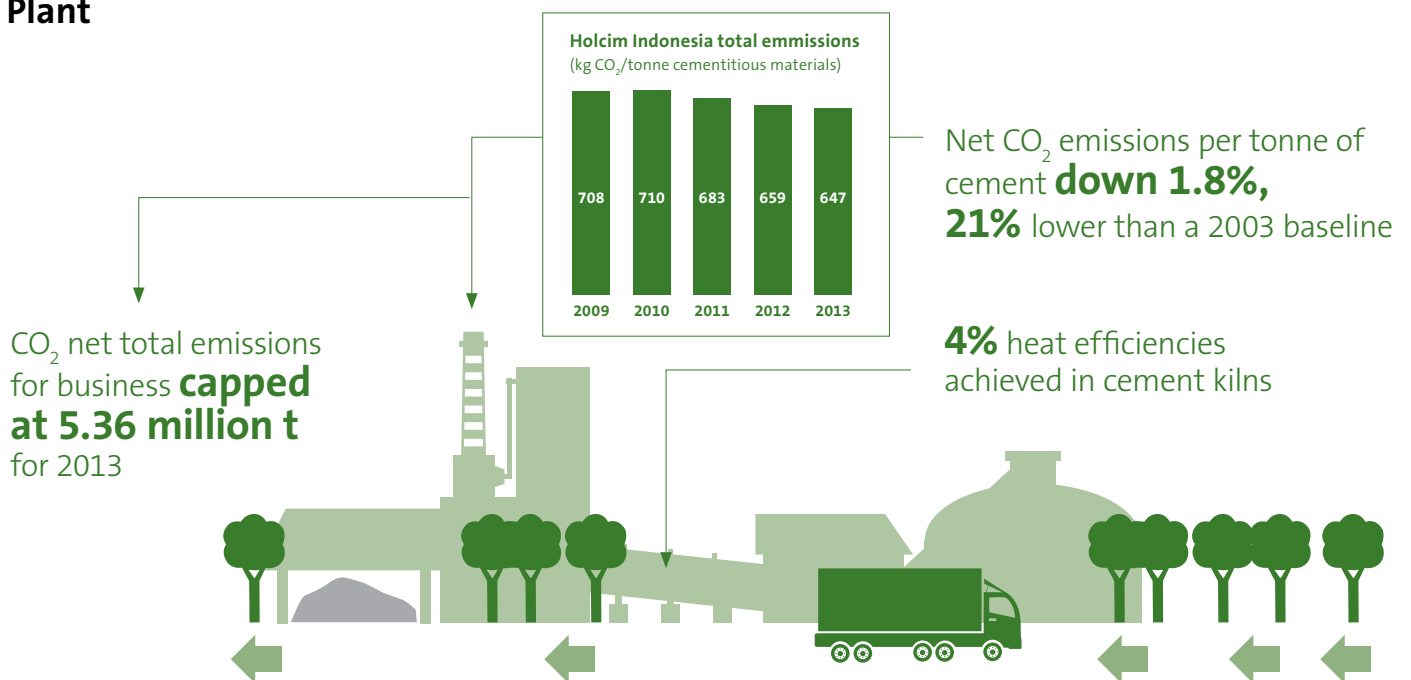
Rehabilitation work on the 76-hectare started in early 2011, with the environment team preparing the land, crushing boulders and backfilling large areas with top soil, before a ground cover crop was planted to add soil fertility and prevent erosion.

In conjunction with the Bogor Agricultural Institute, community recreational facilities were built along with a centre for forestry research and sustainability, with the aim to study how to support incomes of local forest communities living in the area.

Several researchers and members of Holcim's environment and Community Relations team are working together with the Bogor Agricultural Institute to have the park ready for the public during 2014.



Plant





Plant emissions – CO₂

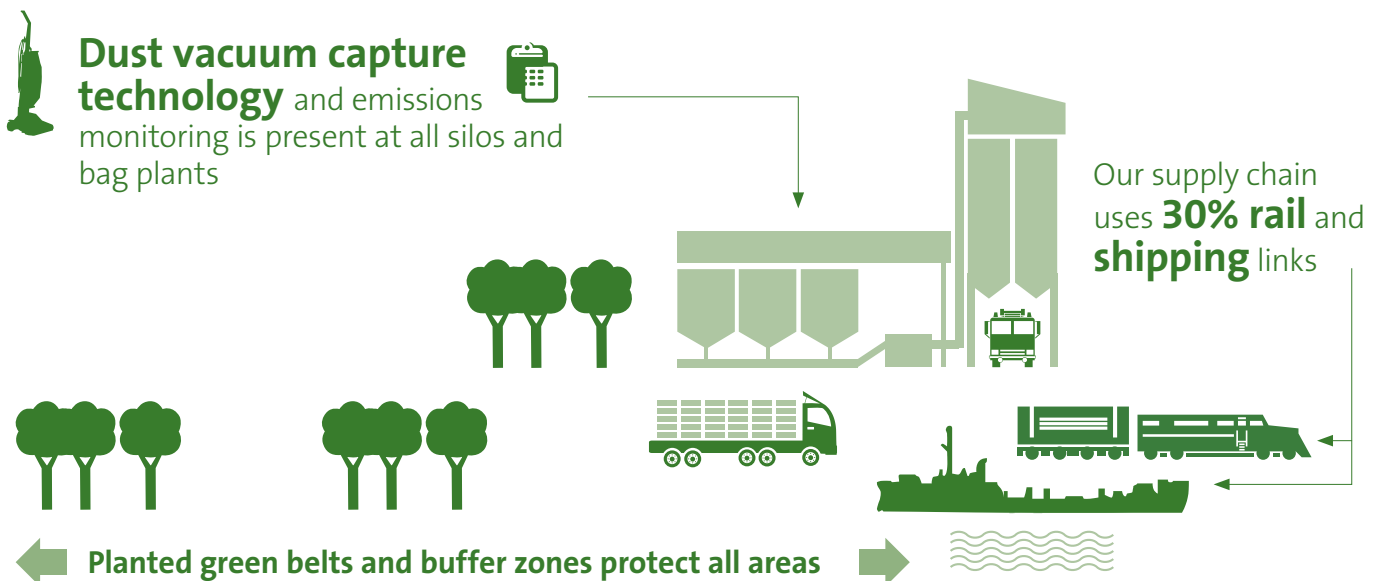
A key impact of Holcim Indonesia's operations are global warming gases and dust released into the atmosphere by our plants.

Our emission collection database includes our three integrated cement plants, grinding stations and terminals, as well as six raw material and aggregate quarries and all our ready-mixed concrete plants. This information is based on plant technical reports and corporate CO₂ inventories according to the World Business Council for Sustainable Development/ World Resources Institute (WBCSD-WRI) Cement CO₂ Protocol.

Over 95 per cent of the CO₂ emissions from cement come from the manufacturing of clinker, one of its key components. About 60 per cent of these emissions are from the limestone used to make clinker and about 40 per cent are from the burning of fossil fuels.

During 2013, with national demand for our cement increasing by around 7 per cent, Holcim aimed to operate at close to maximum capacity and continue to play our part in the Holcim group regional energy saving programme.

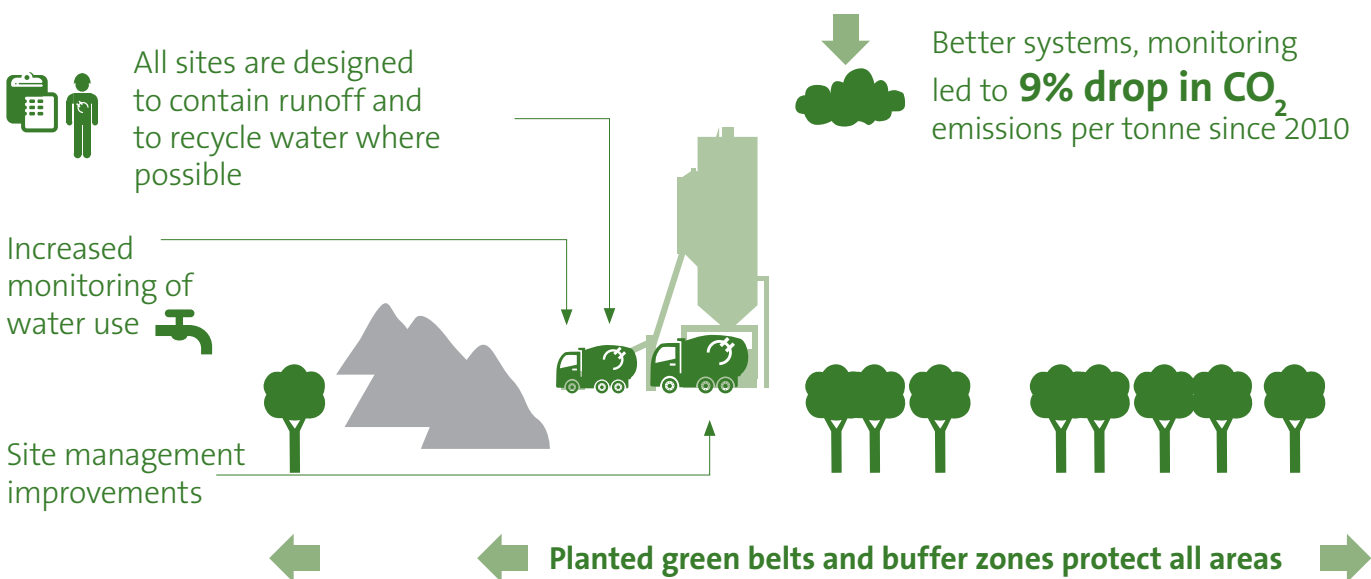
Supply Chain





Our Cilacap Plant surrounded by paddy fields.

Ready-mixed concrete & Aggregates





Overall net CO₂ emissions decreased slightly from the year before, to 5.36 million tonnes of CO₂ equivalent gasses. This compares to a global estimate for 2013 of more than 2 per cent.

We reduced our net CO₂ emissions per tonne to 647 kg in 2013, a 1.8 per cent decrease, part of a trend that has seen net per tonne emissions drop by 9 per cent over the past four years, and by 21 per cent since our baseline was established in 2003. For a breakdown of CO₂ emissions see EN16-18 on the GRI environmental indicators.

Savings on energy, heat and Clinker Factor

Our energy efficiency programme achieved a reduction of 0.5 per cent in electricity use per tonne of cement. Our overall electrical power consumption rose 5 per cent by total volume in 2013, as we continued to expand. Meanwhile we used 1.4 per cent less fossil fuels.

Geocycle and responsible waste management

The management of industrial, agricultural and municipal waste is an ever increasing problem, particularly on Java. Geocycle Indonesia is Holcim's total waste management service, with operations currently located at the Narogong and Cilacap cement plants and another operation planned for the new Tuban Plant.

Geocycle helps the company maximise recycled raw material inputs and energy recovery in producing clinker and cement. Through the co-processing of industrial,

agricultural waste, Geocycle ensures Holcim is able to mitigate the overall level of CO₂ from our operations.

Geocycle provides a safe and responsible - a one-stop solution - for its customers by packaging, transporting, storing, pre-processing and finally co-processing many forms of non-hazardous and hazardous waste. A dedicated Ozone Depleting Substances facility, the only one in Southeast Asia, eradicates CFC and HCFC ozone depleting gases.

The Geocycle team ensures clients are fully compliant with government regulations. During 2013 Geocycle continued to expand in the areas of consulting, on site waste solutions and safe transportation.

A total of 9.4 per cent of all fuels used in cement production represented the best ever result in deploying recycled materials, in substitution for fossil fuels and natural raw materials.

Reducing dust and other emissions

Average dust emissions in 2013 were 38 g/t cement, well below the tolerance limit but a 9 per cent increase from previous year (35 g/t cement in 2012). We expect our emissions to continue to drop in coming years, as part of a general and positive downward trend. We have succeeded in reducing average dust emissions by 55 per cent since 2008.

Stakeholders: Supporting Sustainable Construction

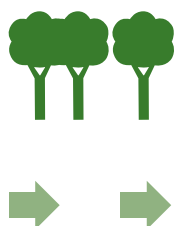


Holcim materials and financial support created the **Ecotech Campus** – for engineering studies

- Built to use 50% of the power of a conventional building
- Equipped with solar power
- first thermal cooling system in Indonesia
- 30% power reduction in first three months



Eco-Home, a show-home promoting sustainable construction built in 2009 in Yogyakarta



Dust and exhaust fumes from heavy mining equipment are monitored in our quarries, and water is sprayed on quarry roads for dust control. Vehicles pass through water dips before entering public roads. We also measure run-off levels in the quarries and use settling ponds.

Other emissions monitored daily at our two operating cement factories include quantities of oxygen, sulphur dioxide, nitrogen oxide, and volatile organic compounds to ensure Indonesian legislative and Holcim standards are met or bettered. Monitoring instruments are regularly cleaned and inspected to give accurate readings. All emissions are well below the allowable maximums set by the Indonesian Ministry for the Environment.

Water use and treatment

Another environmental impact of our operations is as a user of water. We draw and reuse water in our quarries and closed circuit cooling systems in our cement plants. Water is required in emissions capture technology, in our quarry areas and for use in our concrete batching plants, as well as in minimal quantities for sanitation at our administration buildings.

In 2012, Holcim Group committed to develop a group-wide water management programme, in consultation with experts from the IUCN and implementation commenced during 2013.

Water in all our areas is drawn from a combination of groundwater sources and local rivers. None of these sources are designated as biodiversity areas but all require permits for commercial water extraction. Currently our water use is not measured as significant at any source because we are not withdrawing more than 5 per cent of the total supply in any area.

Water used at our operation rose by an average of 30 per cent over 2013. The extent of the increase is in part due to a more rigorous measuring procedure being used than in past years as we began to conform to the Holcim global water management strategy.

Noise

To ensure our operations meet health and safety and environmental noise pollution standards, machinery in our production areas is fitted with silencers and located in closed buildings. Noise and vibration levels due to cement plant operation and blasting activity are monitored regularly and levels meet or are better

than local environmental limits. These results are within regulatory maximums and the information shared with the neighbouring community.

More detail on our environmental reporting can be found in the Global Reporting Initiatives environmental indicators listed in the back of this book. An explanation of environmental impacts can be found in the sustainability section in our corporate website.

The city forest in our Cilacap plant breeds deer, butterflies and birds.





Why saving energy isn't something we just dream about

Test environments known as "Dream Runs" are part of a Holcim energy saving programme at our production sites.

The idea is to plan and then manage a trial period where cement kilns are run using as much waste to replace traditional fossil fuels as possible, while minimising the use of electricity. Using Dream Runs at Narogong Plant record daily savings of fossil fuels and electricity have been achieved.

Now the challenge is turning these records into "business as usual", says Picky Yanuar Isharwansa, Geocycle Technical and Operations Engineer.



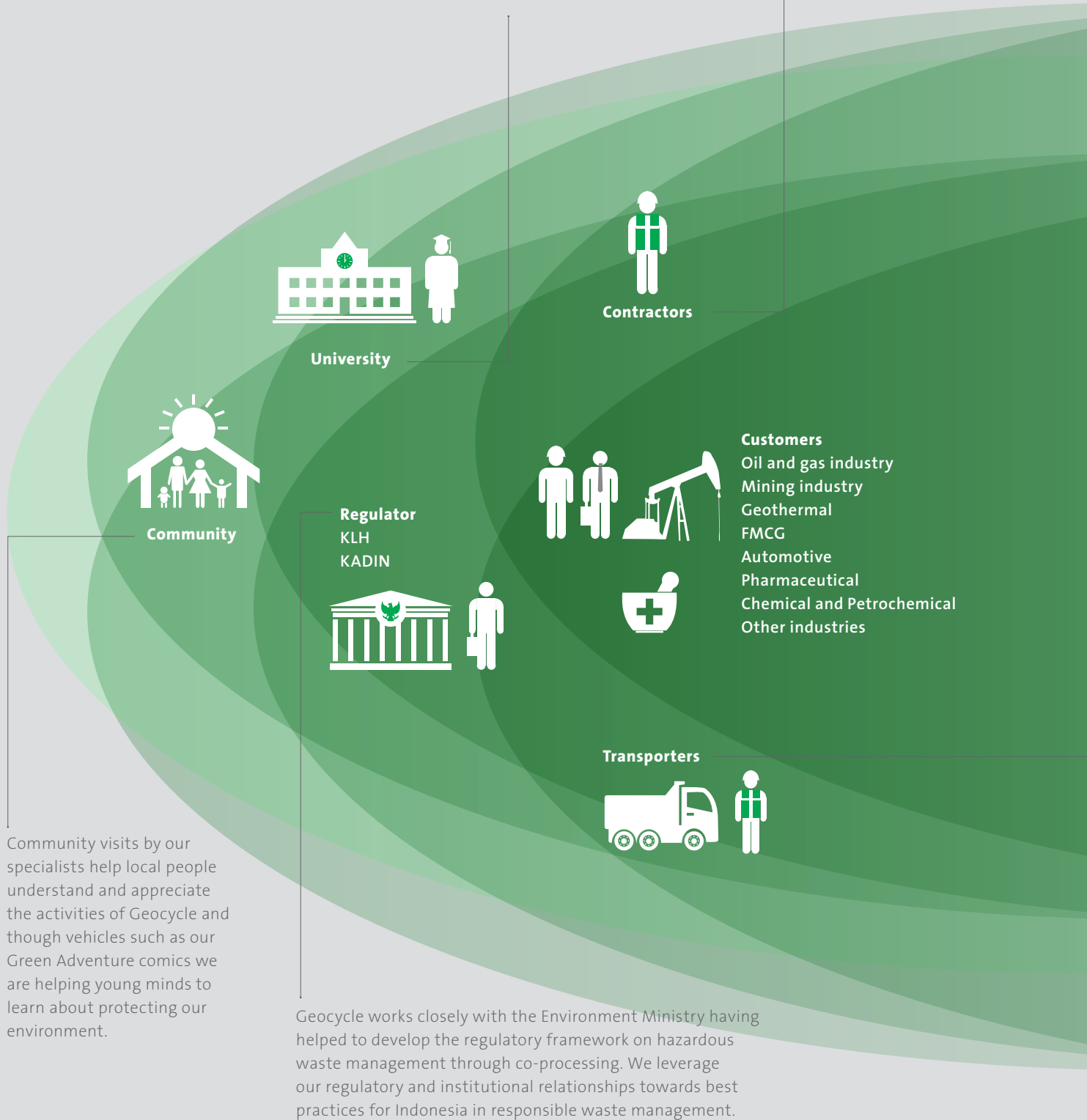
Our RAISE programme enlightened industrial refrigerant technicians and health safety and environment practitioners about the responsible destruction of ozone depleting gasses.

▶ Universal values

How Holcim manages its key relationship in the Geocycle waste solutions business

We receive numerous visits from leading universities and other academic institutions to build a sound base of knowledge about waste, waste prevention, recycling and responsible removal of hazardous wastes.

In our regular business activities we work with contractors on and off client sites, and we make it our business to educate and engage them in safe working practices towards our goal for zero harm.



We are open, transparent and happy to work with Government ministries across a wide range of issues relating to waste management practice and regulation.

We provide case studies and support the efforts of institutional bodies and associations toward greater corporate responsibility in society today. Holcim is a founding member of GBCI – the green building council, and IBCSD the local chapter of the World Business Council for Sustainable Development.



Organisations

IBCSD
GBCI
ASHRAE

Government

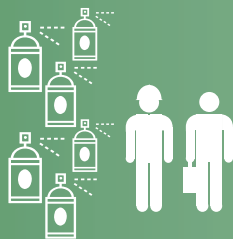
Ministry of Industry
Ministry of Energy and Mineral Resources
Ministry of Transportation



geocycle

RAISE groups

Refrigerant companies
Supermarket
Hotels
Malls
AC manufacturer



Keeping people safe: Geocycle published the first ever handbook on responsible waste handling, transportation and road safety – endorsed fully by Department of Transportation – setting a new standard.

Highlighting a serious issue: the risk of ozone harming substances (ODS) from spent refrigerants. Geocycle is involved in partnerships with development agencies, industry and government to raise awareness of the dangers of ODS, provide technical training, and set up policy dialogues to encourage safe and legal disposal.

▶ Geocycle value chain

A safe and sustainable service

Nine steps to eradicating waste and providing a sustainable solution for companies, communities and cities.



Customer needs

We tailor solutions to customers requirements, based on their industry and waste characteristics.

1

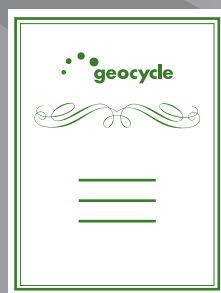


Waste assessment

Waste samples are collected in our internationally certified laboratory for analysis.

2

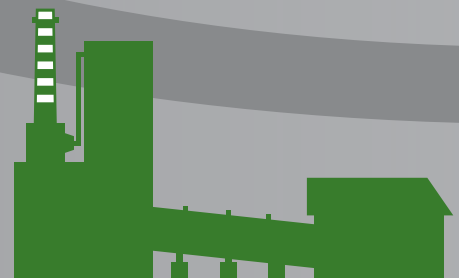
9



Certificates

You receive a Certificate of Treatment, a record of proper environmental management.

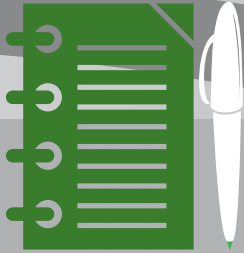
8



Co-processing

Waste is treated by co-processing in our ultra high temperature kilns. Arrangements can be made to witness the treatment of waste at our site.

3



Advisory

A proposal is sent based on the desired scope including recommended advisory to the client.

4



On site service/ handling

Whenever we're needed, the Geocycle team works on site to collect waste, part of our total solutions model.

5



Waste transportation

We assist by arranging packaging supervision and transportation using qualified professional handlers and drivers.

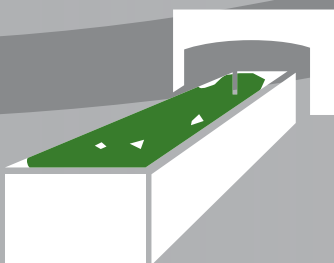
6



Waste storage

Then, waste is unloaded to the dedicated storage facilities and a Certificate of Reception (COR) is issued.

7



Waste pre-processing

It is then processed and prepared prior to final treatment.

We bring you the future of sustainable construction:

The Holcim Awards

Held over three-year cycles, with participants from 146 countries, the global Holcim Awards is a search for some of the most innovative, future-oriented concepts in sustainable construction on the planet.

With high profile juries and total global prize money reaching US\$ 2 million, the Asia regional preliminaries are being hosted in Indonesia in 2014.



Sustainable construction means designing buildings that are highly energy efficient in their daily operations and use less natural resources; a response to global issues of conservation and climate change.

In previous awards, Indonesian projects have competed with the best in Asia, with three receiving Acknowledgement Prizes in the final round of the Asia Pacific competition in 2011. But so far none have won main prizes at regional level.

To see if we could change this, we decided to do our best to increase the event's profile here. During the last three months of 2013, we took the competition on the road, promoting it to a variety of stakeholders in seven cities. These included architects, engineers, planners, building owners, contractors and students.

Supported by advertisements in targeted media, these travelling expos have proved a success. As of end 2013, Indonesia ranked as the country with the highest number of entrants - "Next Generation" category - into the awards. That's what we call building interest!







Aries Djarjianto, Narogong Plant Manager, hands out educational scholarships to high achieving students from neighboring communities.



Society

Looking after our People

Wherever we operate, we seek to engage frequently and transparently with the people interested in and affected by our operations, as reflected by our corporate values.

Our People and Contractors

Our people are paid competitively; our average entry level wage is **261%** of the average national minimum wage

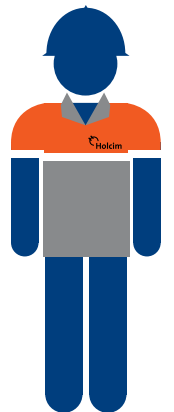
Average training hours rose to **60 hours per employee, 54% higher** than in 2010



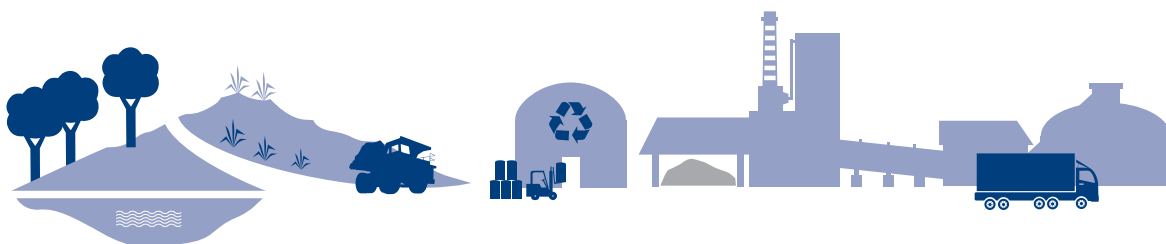
Speak Up! 
Independent hotline for whistle blowers.



Employee satisfaction measured every two years by Employee Climate Survey



2,800
employees



Like any large business, we have a wide and expanding number of stakeholders for whom we create value in one form or another. These include our employees, our business partners in the construction industry – large and small – who use our products and services. They are home builders, small building contractors, architects, engineers, large developers or governments – and our investors, in the form of company shareholders.

Of equal importance to us, is the welfare of our immediate neighbours, living close by our operations. We work with community and government organisations, at local, provincial and national level who control the legal permits and licenses for doing business.

Through meaningful dialogue with these stakeholders, we aim to resolve any issues with our operations, to eliminate negative impacts and address concerns, while also seeking to create opportunities in terms of employment, education or livelihoods.

In 2014, for the first time we will seek to measure our stakeholders in society with the Net Promoter Score metric to gauge more accurately, how different groups – the “customers” of our social programmes and initiatives perceive us and our activities. For more on how we define stakeholders, identify potential impacts and to view our six pillars of operations, please visit the Holcim corporate website.

Employees

As an employer Holcim aims to attain most favored employer status in Indonesia so we can attract, retain and develop the best talent in the industry, people with exceptional skills who share our sustainable business values and work as a team towards them. In 2013, we began implementing an Employee Value Proposition as part of 10 strategic initiatives, as a sustainable business. We recognise the quality of our human resources is vital to our future over the long-term in Indonesia.

Remuneration

Holcim Indonesia’s entry-level wages were more than two and a half times as high as the minimum wage average in 2013.

Employee Value Proposition, formulated in 2013 being implemented

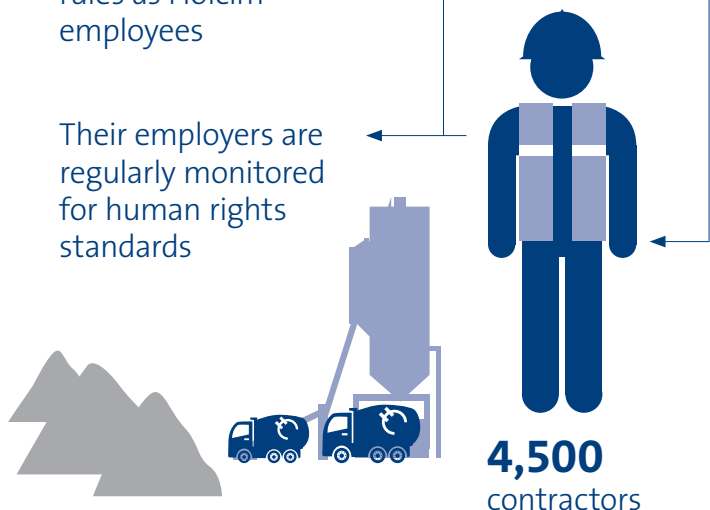
- career path planning, leadership, individual development plans
- graduate and enterprise vocation schemes
- incentives for innovative ideas, team building in sports and pastimes



Our third party contractors governed by the same safety rules as Holcim employees

Their employers are regularly monitored for human rights standards

Contracts we sign with vendor companies have human rights clauses



The year 2013 saw 17 meetings by official union bodies conducted on company premises, involving 65 people and representing an estimated 9,995 person-hours. We continued to negotiate the framework of a new Collective Labour Agreement in 2013 for the 74 per cent of total staff who are union members. Holcim Indonesia fully understands the right of labour to organise and negotiate for better conditions and we are committed to full and fair settlement of labour issues within a highly consultative framework.

Following the latest 2012 Employee Climate Survey conducted every two years by an independent body, it was apparent that employees sought more engagement with the company. This saw the creation of the Employee Value Proposition, which we began implementing in 2013 and will continue to develop this initiative.

Local employment

Holcim Indonesia places hiring locally as a priority. As part of sustainable development reporting our Human Resources departments have begun to measure rates of “locally defined employment” in all our operations.

Local employment is especially important at the Tuban construction site, and by the end of 2013 we had workers classified as local (as coming from the local Tuban district or Kabupaten) approximately 44 per cent of the total 2,500-strong workforce, with around 120 villagers from the communities closest to our operations employed on our Stone Wall project. We also recruited local high school graduates from Tuban who became part of the latest batch of our Enterprise-based Vocation Educational (EVE) on-the-job education programme.

Training and opportunities

One of the key ways we continue to attract and retain good staff is via our in-house training institution, Holcim Academy, the first facility of its kind for Holcim in Southeast Asia. The Academy has three pillars: Learning and Development, Organisational Performance Improvement (OPI), and Talent Management. Teachers at the academy provide hard and soft skills training and explores career advancement opportunities with employees.

Thinking positive. Holcim fosters career development offering training and encourages employees to have fun.

Our Neighbours

We support many **Community Empowerment Centers (Posdaya)** in our areas of operation
20 Green Posdaya open in Narogong –
48 Posdaya supported in Cilacap



Village areas in our three cement plants engaged via **eight Community Action Plan** meetings held in 2013





24 neighbourhood-based childhood centres, 238 teachers trained

112 students in English courses

1,600 students in early educational centres and Quran reading classes



3.7km footpaths and roads laid since 2002



149 mosques helped since 2002



41 renovations and building projects



28 health centres supported - **2,870 elderly** and **3,150 children** supported

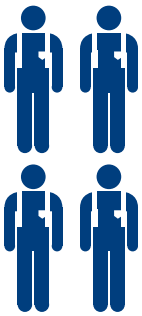


4 centres for community waste collection and recycling



Our Neighbours

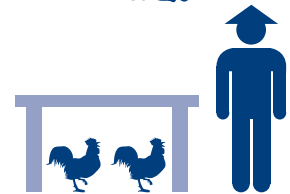
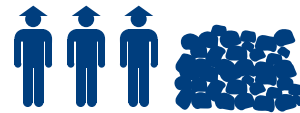
1,500 students in 2013
received educational scholarships



**5,000 Green
Adventure books**
distributed by Geocycle
to school students



400 local labourers
employed on Tuban
traditional wall project



↑ **20 families** begin
chicken farming



Adding value while learning at work

Some of the best designs come from young minds. Cilacap's new ball mill sorter designed and built by students shows the difference on the job-training can really make.

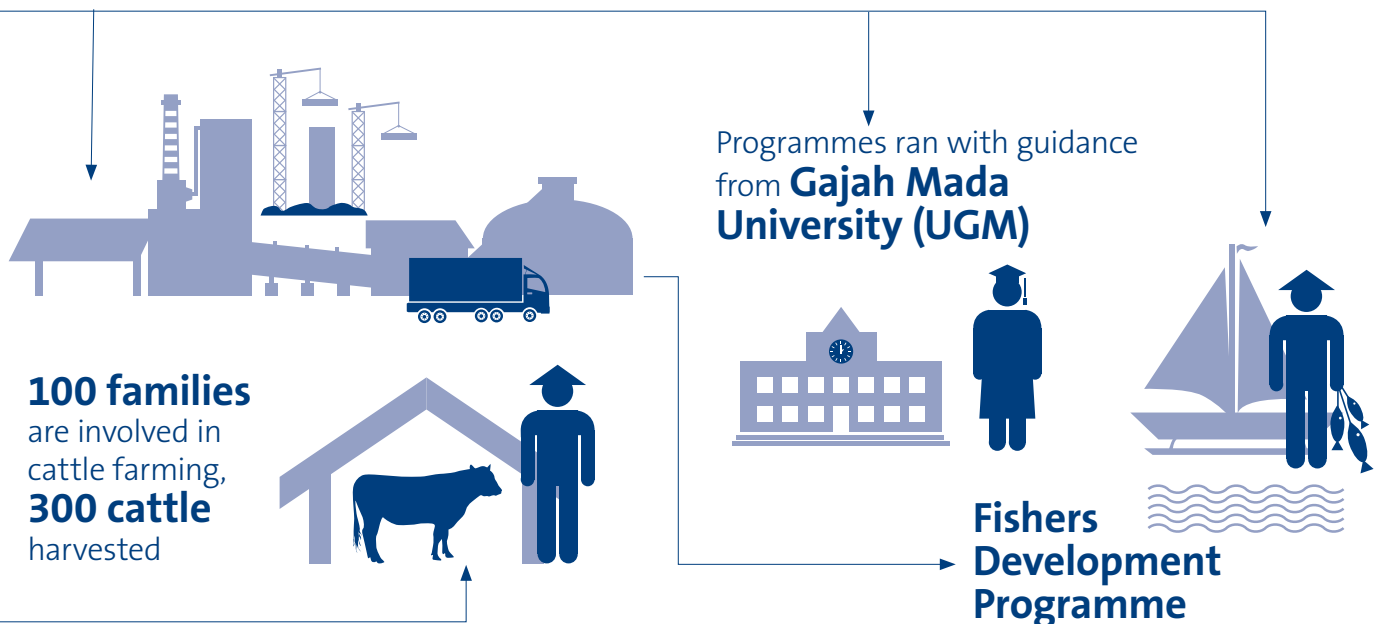
Working in teams of four, the students helped design, build, test and install the sorter over 2012 and 2013. A ball sorter is a machine used in plant maintenance that checks and grades the ball used the mills to grind clinker. According the mill's new user, the automated machine performs twice as well as the old manually operated one.

The hardworking students behind the project are studying in the Enterprised-Based Vocational Education, programme (EVE) a two year programme of vocational training that each year attracts hundreds of applications from graduates of technical high schools around the country.

By the end of 2013, over 313 students had been accepted since the programme began in 2005. Graduation rates are high, and more than 90 per cent of students end up becoming fulltime employees.

The ball sorter project taught students fabrication techniques and project management skills, among others.

Tuban Plant Community Development



Both EVE (Enterprise-based Vocational Education) and GDP (Graduate Development Programmes) were customers of the Holcim Academy during 2013, and continue to attract talent from school leavers and university graduates. Overall average training hours per employee stayed stable at 60 hours per employee per year in 2013 from only 44 in 2011.

In 2013, the ninth batch of 48 EVE students began a three-year technical course. A total of 313 students have been through these programmes. Eighty students were sourced from the Tuban area for eventual employment at the plant in line with our policy to hire locally. In 2008, 114 GDP graduates gained full time employment with Holcim.

In 2013, we awarded 1,500 new education scholarships to high-scoring but under-privileged local students in Narogong, Cilacap and Tuban. The students range from elementary to senior high-school level and are selected in partnership with education officials.

Equal Opportunities

Holcim maintains a non-discriminatory policy of hiring as an equal opportunities employer and there is no difference in basic salaries in every area of our organisations between male and female employees within the same employment categories.



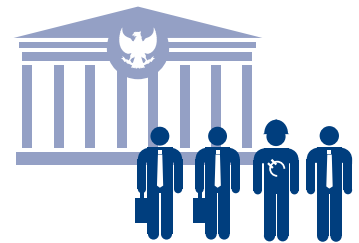
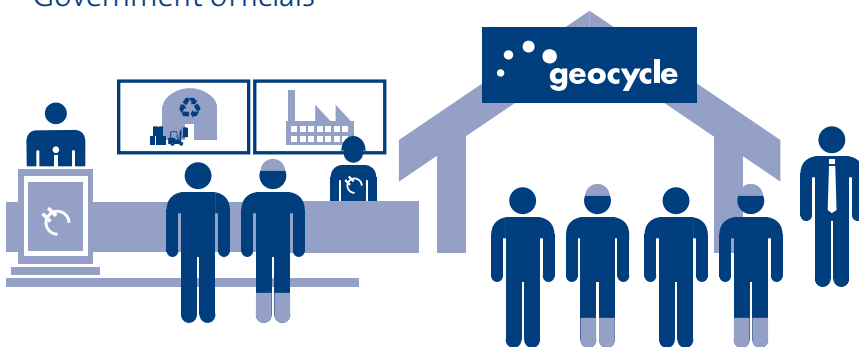
Holcim Indonesia is an equal opportunity employer and we aim to attract the best graduates.

Our Business Partners and Customers

300 key stakeholders reached by **RAISE**

Advocacy on Ozone Depleting Substances

- Health Safety Environment technicians
- Refrigerant technicians
- Government officials



Our aim: to eventually improve voluntary compliance in business and contribute to public policy



Our Construction Partners

The Holcim Awards for Sustainable Construction 2014

launched

- Global awards open to architects, construction engineers, town planners and students
- Record entries to regional competition



Securing community support

Head of Tuban security says communication key to success

With a degree in economics and a believer in the power of communication, Edy Siswanto, Tuban Plant's Head of Security plans to take community engagement to the next level.

No stranger to remote rural areas, Edy came to Tuban after a career working for a large international company in Kalimantan and in East Java. At Holcim Tuban he is in charge of around 150 security contractors, with 125 of these guards employed locally. He also liaises regularly with six officers from the Tuban Resort Police.

Edy believes security and safety engagement with the community should be based on sustainable practices that build durable partnerships. For this reason, all security staff receive human rights training with regular refresher sessions.

"In Tuban, there are many plant and quarry areas that are strictly off limits to the public, and communities need to understand that we're doing this to protect them, not to shut them out," Edy says.

It's also vital that contractors need to be on the same page as community development officers, otherwise people will get confused.

"I'm a strong believer in the power of integrated communication because a bit of talking can be far more effective than high walls can ever be," he says.

Communication is helped by the range of community development programmes Holcim is facilitating in the area, because these opportunities for skills or income will help villagers adjust to a more modern, factory environment, he says.

"At Holcim there are a lot of very good programmes being done with communities in the Tuban area and this is very important to security."



The cattle farming programme at Tuban.



Our human resources directorate has a comprehensive database on our employees. We take into account the number of local hires from the immediate area of operations and the proportion of expatriates employed. Women are increasingly being hired in management and governance positions and now make up 4 per cent of senior management.

Community Stakeholders

At the community level we work to assess local needs, promote community involvement and partner with local stakeholders around our operations to improve educational, cultural and social development. This is done in conjunction with our commitment to the standards laid down in the United Nations Global Compact and our support for the Universal Declaration of Human Rights.

We also actively encourage and support our employees' engagement in volunteering and local community work. Our community involvement structure at Holcim Indonesia

involves Community Relations teams of five to eight individuals at each cement plant site, led by a Community Relations Manager.

There are also managers and offices at Ready-mixed and Aggregates sites and Senior Superintendents at each of our concrete batching plants.

Community Involvement in Planning

The first step toward working with communities is ensuring we have the capacity to understand and respond to their needs. Developed by the group, Holcim's Community Advisory Panels (CAPs) have been set up at our three main areas of operations in Narogong, Cilacap and Tuban, as well as at our separate quarry area in Maloko along with Community Relations Departments in these areas. For More information on CAPs please go to Community Relations Section on our corporate website. We held 8 CAP meetings nationwide in 2013.



Members of Community Relations team with Green Posdaya members at the launching.

Communicating our point of view

Another key communication channel is our regular news letters issued to local communities around our main factory operations in Narogong, Cilacap and now in Tuban. Written in a magazine style in Bahasa Indonesia (and occasionally in Javanese), they carry topical stories about Holcim’s work with the neighbouring community. Produced in conjunction with our Community Relations and Corporate Communications teams, these free-to-read magazines have become key sources of local news and are distributed and read widely. Currently our Narogong Community Relations Department publishes three editions annually, while Cilacap, and Tuban publish four editions a year with a total of 10,100 copies in circulation in 2013.

Environmental advocacy and sustainable construction

We use our resources to promote sustainable construction by helping to create landmark buildings and by communications with stakeholders.

To promote environmentalism at the grassroots Geocycle published the second and third editions of our Green Adventure books distributed to schools promote environmental conservation through interesting stories and graphics set in student contexts. In 2013 these books distributed to about 5,000 elementary students in schools around Narogong, Cilacap and Tuban plant.

With many refrigerants containing ODS still known to be in use in Indonesia, in the final quarter of 2012 we took the next step, beginning the “RAISE Indonesia” programme in partnership with ASSIST, a human capital development non-profit organisation.

With RAISE, we aim to improve awareness among industrial, commercial, academic and government stakeholders about the needs to properly identify and safely dispose of ODS refrigerants while aiming to help promote lower energy consumption by promoting the proper and efficient refrigerant management and refrigeration and cooling systems. Especially targeted in RAISE are refrigerant technicians responsible for the maintenance of cooling systems and the disposal of HCFCs and CFCs as well as industrial Health Safety and Environment practitioners.

In 2013, we held 12 of RAISE activities in three cities around the country involving approximately 350 people.

Supporting sustainable construction

We continued our initiatives to support sustainable construction by promoting sustainable building solutions that are highly energy efficient in their daily operations and use up less natural resources. This has led us and our partners to fund and build the Ecotech Campus at Jakarta’s ATMI polytechnic, which serves as a model for sustainable construction and began operating in mid-2013.

We advocate for the increased adoption of sustainable construction techniques and promote sustainable construction in society. The primary focus of this campaign in 2013 was expanding community participation in the global Holcim Awards for Sustainable Construction with the Asia regional finals to be hosted Indonesia in 2014. During the last three months of 2013, we took the competition on the road, promoting it to a variety of stakeholders in seven cities. These included architects, engineers, planners, building owners, contractors and students.

Complaints received

During 2013, we recorded 42 complaints made by communities against our operations. These consisted of two regarding Narogong Plant operations (smell from operations); seven from Tuban (requests for jobs, concerns over jetty, request for local procurements from businessmen) and four from Holcim Beton operations. We responded to all the complaints and entered into dialogue with residents in certain cases.

Compliance and governance

Despite many positive developments in the past decade, including a free and independent press and the creation of a robust national anticorruption body, doing business in Indonesia continues to carry significant corruption risk.

Holcim Indonesia is keenly aware of this issue, and our governance structure embraces the interests of our stakeholders, the management of business risks, the protection of our reputation and the welfare of our communities and the environment. Our code of conduct promotes fairness, transparency and accountability, and is applied across all levels of the company, to all individuals.

During 2012, Holcim management formulated a revised Anti-Bribery and Corruption Directive (ABCD) and in 2013 our Legal & Corporate Affairs directorate continued training staff in anti-corruption best practices, with the directive coming into force on March 1. The results of an Internal Audit Plan also analysed business units for corruption risk. For more information on corporate compliance and government please see our Annual Report.

Good governance as easy as A-B-C-D



Employees undergo refresher training

With competition in many parts of our business increasing in 2013, it was only fitting that in the last few months of the year employees around HIL business operations underwent refresher training on our rules for fair competition and good governance.

These rules are otherwise known by acronyms - VCCE (Value Creation in a Competitive Environment) for guidelines on fair competition and for good governance - ABCD - for Anti-Bribery & Corruption Directives.

The training in face-to face classroom sessions is compulsory for all employees in business units where there is potential for risk.

One important part of ABCD guidelines is making clear how employees should deal with potential gifts offered to them and other forms of hospitality and proposed donations when they do business. VCCE, meanwhile, is all about how to avoid sharp practices in competition and ensure that when the going gets tough, the tough play fair, to ensure Holcim staff and the company remain within the confines of Indonesia's antimonopoly and fair competition laws.

Global Reporting Initiative (GRI) Content Scope

This report covers Holcim Indonesia activities between January 1 and December 31, 2013 related to the company's pursuit of sustainable development targets. It is designed to be read as the sequel to the 2012 Sustainable Development report, and provides data in a format which can be easily compared year on year. The data and calculations used in this report are subject to the company's internal audit.

How to use this report

In line with the greater care and standardisation of global sustainability reporting, we have adopted the GRI4 reporting guidelines in the preparation of this report.

Self Declaration

This Sustainable Development Report has been internally graded in accordance to the "Core" GRI indicators.

Scope of 2013 Report

As in previous years, our 2013 Sustainability Report covers all our incorporated operations in Indonesia (see company chart on the following page), excluding Malaysia, over the reporting period.

What do you think about our reporting? Holcim welcomes feedback from stakeholders on this report, and aims to provide clear and sufficient information to stakeholders.

If you wish to provide feedback on the content of this report or seek further information about the report or Holcim Indonesia, please contact:

**Diah Sasanawati (Anna)
Corporate Communication Manager
Talavera Suite 15th Floor
Talavera Office Park
Jl. Letjen. TB Simatupang No.22 - 26
Jakarta 12430
Phone: (+62) 21 2986 1000
Fax: (+62) 21 2986 3333
Email: Diah.Sasanawati@holcim.com**

Company Profile

PT Holcim Indonesia Tbk is a third largest by sales and market share, fully integrated cement producer with ready-mixed concrete and aggregates operations, and a unique and expanding retail franchise offering the most complete end-to-end solutions to home building: from building materials supply to design and speedy, safe construction.

Holcim Indonesia is owned by Holderfin B.V. 80.65 per cent and public 19.35 per cent of the authorised issued and paid-up shares quoted on the Indonesia Stock Exchange (IDX).

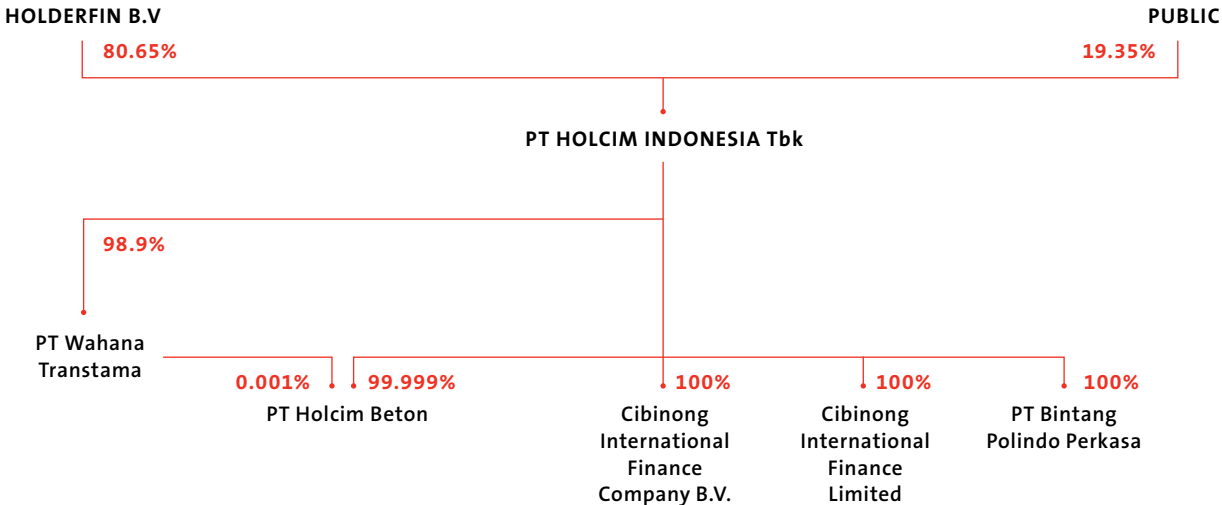
Holcim Indonesia is a member of the Indonesian Cement Association (ASI), IBCSD, GBCI and as part of the Holcim Group is a member of the World Business Council for Sustainable Development (WBCSD) and a founder member of the Cement Sustainability Initiative (CSI).

Vision
Building sustainable solutions for society's future.

- Mission**
Holcim Indonesia will grow by creating value for stakeholders through:
1. Delivering sustainable building solutions focused on distinctive customer segments
 2. Caring for safety and the environment
 3. Through the development of people, innovative leadership and integrated networks.

With 2,807 employees, Holcim Indonesia operates cement plants at Narogong, West Java, Cilacap, Central Java and Tuban, East Java; a cement grinding station in Ciwandan, Banten, and another in Johor Baru, Malaysia: giving a combined annual capacity of 10.3 million tonnes of finished cement. Under the control of Holcim Beton, a wholly-owned subsidiary, we operate some of the largest aggregates quarries in Indonesia, and a substantial downstream ready-mixed concrete supply network from Greater Jakarta to Surabaya in East Java.

Organisation Chart

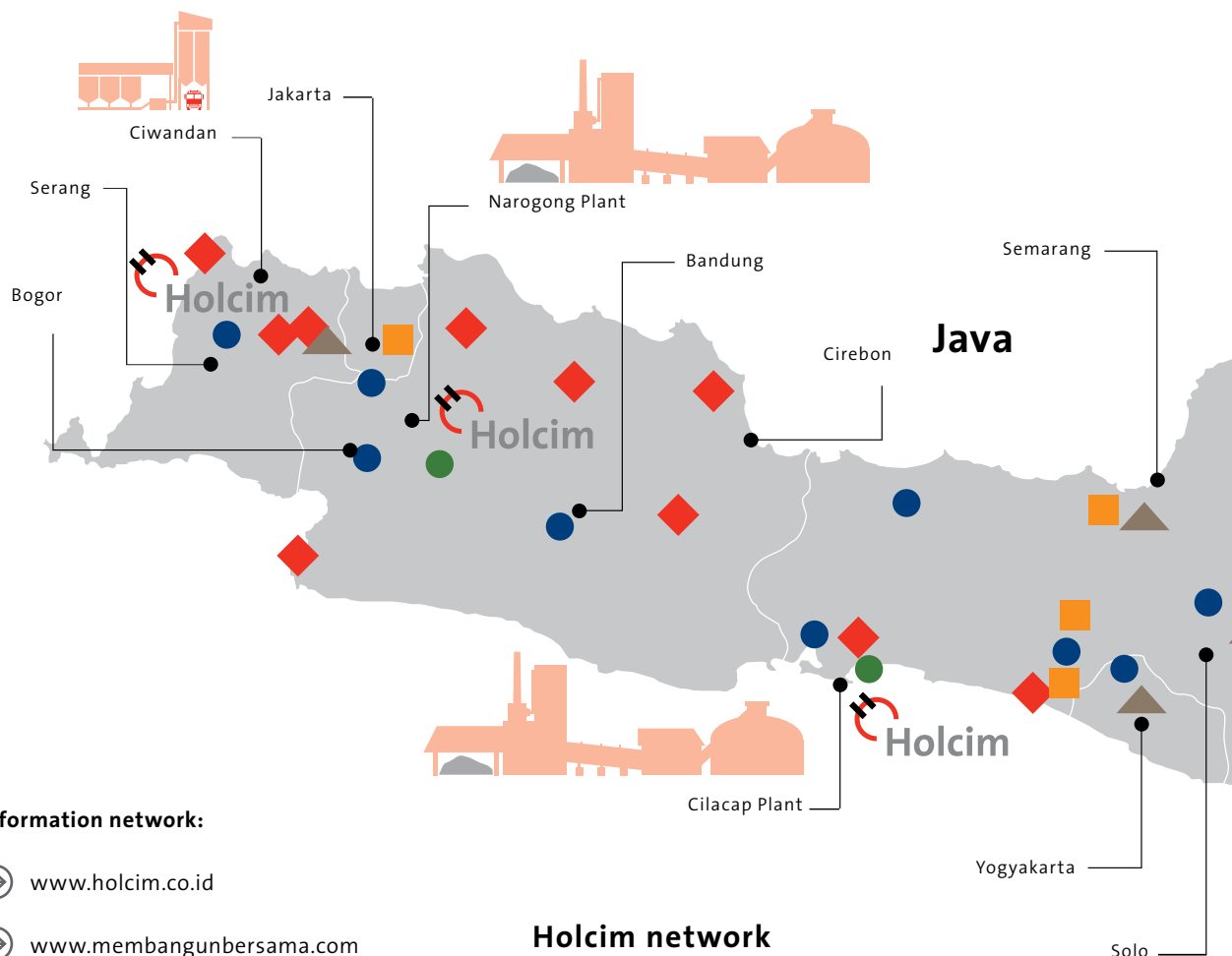


The Holcim Network

Our third cement plant near Tuban, along the northern corridor that links the rest of Java and Surabaya, completes the Holcim footprint in Indonesia's largest building materials market, Java.

Our network includes about 8,000 retailers and 437 *Solusi Rumah* outlets. Holcim expertise and customer care is available through dedicated sales offices, building materials distribution centres and ready-mixed concrete batching plants - served by an expanding logistics matrix of supply depots and multiple transport methods. The Holcim information network is easily accessible via a dedicated call centre, on-line and our websites.

Geocycle, our waste solutions service, serves clients in all the major islands.

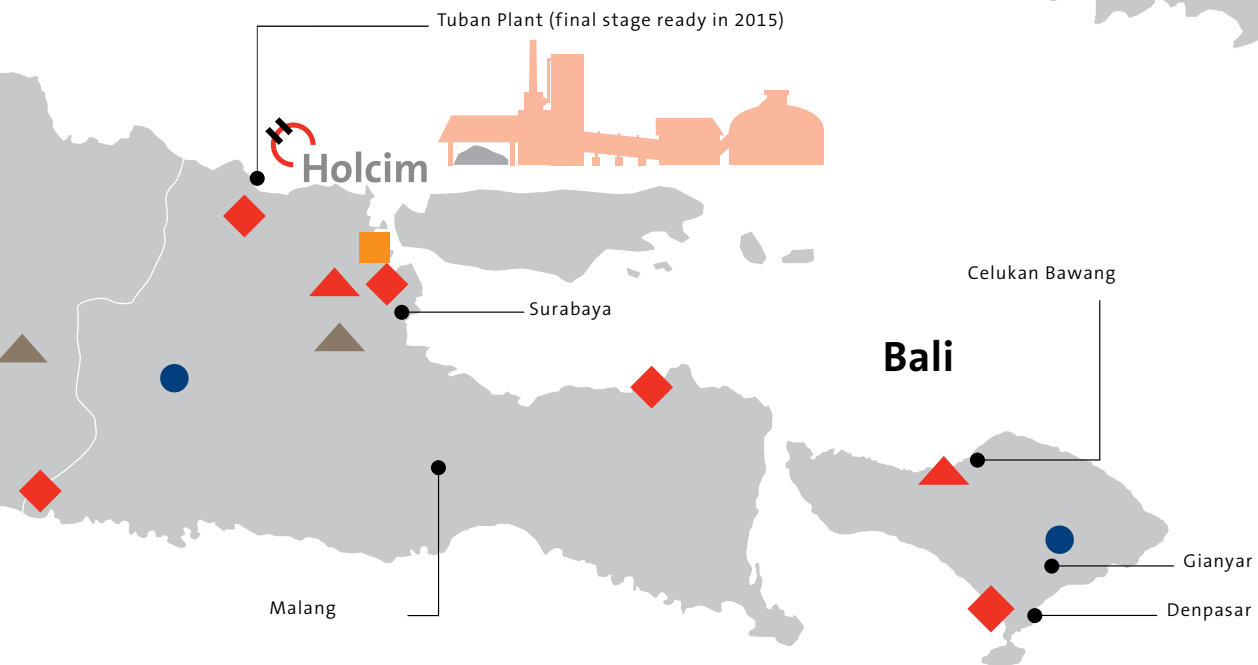
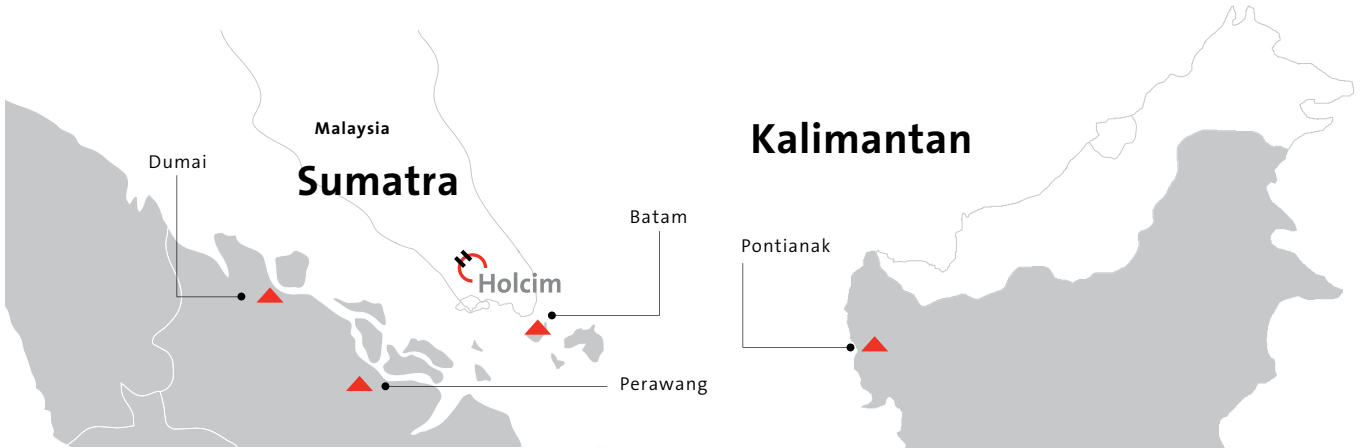
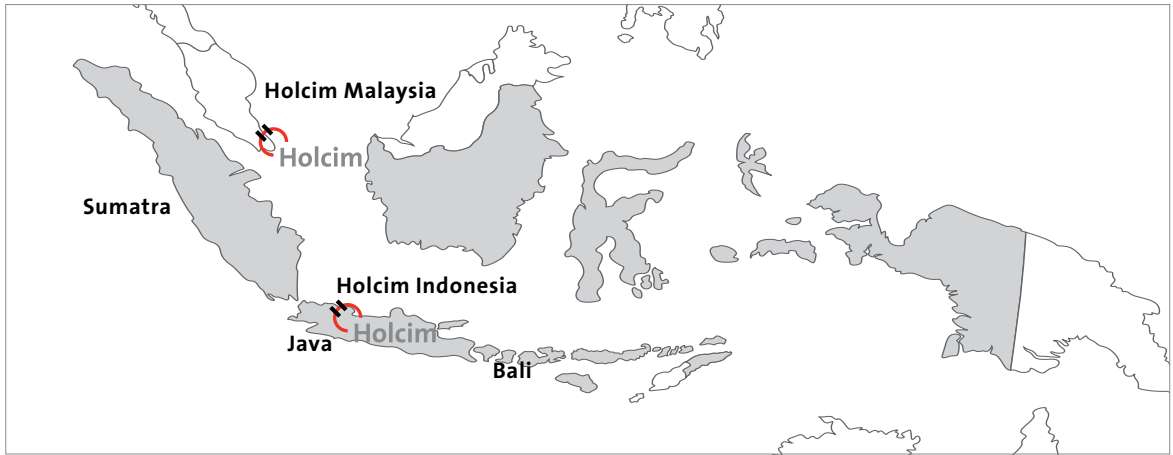


Information network:

- ➔ www.holcim.co.id
- ➔ www.membangunbersama.com
- ➔ Tanya Holcim 0800 1 465 246
- ➔ GPS tracking system
- ➔ Betonku Holcim 0811 811 811 0
- ➔ www.geocycle.co.id

Holcim network

- Plant or Grinding Station
- Silo and Distribution Centre
- Distribution Hub
- geocycle
- Batching Plants (including mobile project plants)
- Retail building materials franchise
- Sales office



GRI Content Index

GRI	Disclosures	Pages
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G4-13	Significant changes during the reporting period regarding size, structure, ownership or supply chain	NA
G4-14	Precautionary approach addressed	AR
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Identified Material Aspects and Boundaries		
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G4-19	Identified material aspects	NA
G4-20	Material aspects boundary within the organisation	NA
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G4-22	Restatement	NA
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Stakeholder Engagement		
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GRI	Disclosures	Pages
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G4-35	Report the process for delegating authority for triple bottom line topics	AR
G4-36	An executive level position who responsible for triple bottom line	AR
G4-37	Consultation process between stakeholders and the highest governance body on triple bottom line	AR
G4-38	Governance composition	AR
G4-39	Chair of the highest governance body and his/her function	AR
G4-40	Selection process of the members of the highest governance body and its committees	AR
G4-41	Processes in place for the highest governance body to ensure conflicts of interest are avoided	AR
G4-42	The highest governance body and senior executive's role in organisation's value/ mission statements, strategies, policies and goals related to triple bottom line	AR
G4-43	Processes to develop the highest governance body's collective knowledge of triple bottom line topics	AR
G4-44	Processes for evaluating the highest governance body's own performance, particularly with triple bottom line performance	AR
G4-45	Role of the highest governance body in the identification and management of triple bottom line impact, risks and opportunities	AR
G4-46	Role of the highest governance body in reviewing risk management process of triple bottom line topics	AR
G4-47	Frequency of the highest governance body reviewing triple bottom line impact, risks and opportunities	AR
G4-48	Report the highest committee that reviews organisation's sustainability report	AR
G4-49	Process of communicating critical concerns to the highest governance body	AR
G4-50	The nature of critical concerns that were communicating to the highest governance body	AR
G4-51	Remuneration policies for the highest governance body	AR
G4-52	Process for determining remuneration	AR
G4-53	Report how stakeholders' view are sought and taken into account regarding remuneration	AR
G4-54	Ratio of the annual total compensation	AR
G4-55	Ratio of percentage increase in annual total compensation	AR
G4-56	Organisation's values, principles, code of conduct	65
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour	AR
G4-58	Internal and external mechanisms for reporting concerns about unethical and unlawful behaviour	AR

GRI	Disclosures	Pages	Explanation	2011	2012	2013
Economic Performance						
G4-EC1	Economic value (Rp million)					
	Direct economic value generated					
	- Revenues			6,820	8,225	8,703
	Economic value distributed					
	- Operating costs			4,661	5,521	6,071
	- Employee wages and benefits			535	687	649
	- Payments to providers of capital			79	153	81
	- Payments to government			442	542	390
	- Community investment			23	20	33
	Economic value retained			1,080	1,302	1,479
G4-EC2	Financial implications and other risks and opportunities for the activities due to climate change.	8-11				
G4-EC3	Coverage of the company's defined benefit plan obligations.		Life insurance, health and accident insurance, medical care, disability/invalidity coverage, maternity leave, child care, pension plans, meals, transportation, uniform			
G4-EC4	Financial assistance received from government			0	0	0
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage		Holcim's standard entry wage is across all locations and does not differ for men or women			
	- Head office					135%
	- Narogong plant					185%
	- Cilacap plant					455%
	- Tuban plant					270%
	- Overall Average			305%	235%	261%
G4-EC6	Proportion of senior management (SML) hired from the local community		Local means based on their identity card and categorised based on province			
	- Head Office					88%
	- Narogong Plant (including quarries)					71%
	- Cilacap Plant (including quarries)					67%
	- Tuban Plant and Construction					17%
	- RMX & Aggregates					43%
G4-EC7	Development and impact of infrastructure investments and services supported					
	- Donations and charity				1,835	4573
	- Education				2,391	1901
	- Community development				9,290	2765
	- Infrastructure community				1,827	1331
	- Mason training					15,996
	- Others					1,530
	- CSR overhead				11,855	
	Total			8,686	15,343	28,099

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-EC8	Significant indirect economic impacts	22-23				
G4-EC9	Proportion of spending on local suppliers (Rp billion)					
	- Head Office			1,612	1,980	1,924
	- Narogong			188	285	353
	- Cilacap			230	286	349
	- Tuban			6	3	3
	Total			2,036	2,554	2,629
	Number of local suppliers by location					
	- Head Office			1,846	1,939	2,056
	- Narogong			174	191	214
	- Cilacap			217	224	225
	- Tuban			36	43	56
	Total			2,273	2,397	2,251
Product Responsibility						
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement		We have a written policy governing customer health and safety. We conduct safety analysis for all appointed suppliers, educating everyone in the supply chain on proper care for safe working conditions. All Holcim trained masons have received information on how to use Holcim products safely.			
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle			0	0	0
G4-PR3	Type of product and service information required by the company's procedures for product and service information and labeling, and percentage of significant products and service categories subject to such information requirements		We comply fully with regulations and government standards (SNI) on product information and labelling			
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling			0	0	0
G4-PR5	Results of surveys measuring customer satisfaction					
	- Customer Satisfaction Index					
	- Retailer			76	77	78
	- Transformational			78	78	78
	- Net Promotor Score					
	- Retailer			NA	33%	41%
	- Transformational			NA	7.1%	-15.4%
	- All segments				32%	35%
G4-PR6	Sale of banned or disputed products			0	0	0
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship			0	0	0

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data			0	0	0
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services			0	0	0
Human Rights						
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		All our standard contracts with suppliers contain clauses on human rights, OHS Standards, Labour Standards along with other social accountability			
	- OHS standards					100%
	- EMS systems					100%
	- Labor standards (incl. human rights)					100%
	- Social accountability					100%
	Percentage of local suppliers screened					
	- OHS standards					100%
	- EMS systems					100%
	- Labor standards (incl human rights)					100%
	- Social accountability					100%
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations			0	0	88
G4-HR3	Total number of incidents of discrimination and corrective actions taken			0	0	0
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk		We have a Human Rights Policy which specifically and clearly addresses all of these areas.			
	- Company Operations Identified			0	0	0
	- Suppliers Identified			0	0	0
	Union representation			75%	75%	74%
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor		We have a Human Rights Policy which specifically and clearly addresses all of these areas. Currently Holcim not yet monitor the labor practices at our supplier	0	0	0
	- Company Operations Identified			0	0	0
	- Suppliers Identified			0	0	0
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor		We have a Human Rights Policy which specifically and clearly addresses all of these areas.	0	0	0
	- Company			0	0	0
	- Suppliers			0	0	0
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations				0	25%
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken		Lokasi dimana Holcim beroperasi tidak menyalahi norma adat setempat	0	0	0

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4- HR11	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms					
	- Addressed during the reporting period			0	0	5
	- Resolved during the reporting period					100%
Labour						
G4- LA1	Total number and rates of new employee hires and employee turnover					
	- New employee number by gender					
	- Male					210
	- Female					41
	- Total					251
	- New employee number by location					
	- Narogong				44	86
	- Cilacap				15	16
	- Tuban				55	65
	- Others				42	84
	- Total				156	251
	- New employee rate				0.06	0.09
	- Employee turn over					
	- Male			60	101	109
	- Female			22	14	16
	- Total			82	115	125
	- Employee turn over rate				0.04	0.04
	- Employee turn over by locations					
	- Narogong				22	33
	- Cilacap				36	31
	- Others				57	61
	- Total				115	125
G4- LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees					
	- Life insurance		FT : Not provided Temp : Not provided			
	- Health care		FT : Provided Temp : Provided			
	- Disability and invalidity coverage		FT : Provided Temp : Provided			
	- Parental leave		FT : Provided Temp : Provided			
	- Retirement provision		FT : Provided Temp : Not provided			
	- Stock ownership		FT : Not provided Temp : Not provided			
G4- LA3	Return to work and retention rates after parental leave					
	- Male (2 days)				100%	100%
	- Female				100%	100%
G4- LA4	Minimum notice periods regarding operational changes (weeks)		This topic is specified in collective agreements	4	4	4

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-LA5	Percentage of total workforce represented in formal joint management – worker health and safety committees that help monitor and advise on occupational health and safety programs			100%	100%	100%
G4-LA6	Safety data					
	- Full time employees LTI-FR YTD			0.403	0.19	0.18
	- Full time employees LTI-SR YTD			1.328	0.2	0.8
	- Contractors (on site) LTI-FR YTD					0.49
	- Contractors (on site) LTI-SR YTD					5.38
	Incidents: full time employees					
	- Fatalities			0	0	0
	- Permanent disabilities			0	0	0
	- Non permanent disabilities			6	19	1
	- Location: Inside plant			6	17	12
	- Location: Outside plant			0	2	1
	- Day lost			20	1	4
	- Safe working hours			1,379,396	2,972,761	2,780,425
	Incidents: contractors (incl Tuban)					
	- Fatalities			0	1	2
	- Permanent disabilities			0	0	1
	- Non permanent disabilities			21	148	5
	- Location: Inside plant			20	156	5
	- Location: Outside plant			1	5	0
	- Day lost			33	92	224
	- Safe working hours					2,484,305
	Formal safety courses					
	- Hours			20,083	11,839	25,057
	- Participant			1,313	705	3,832
	Defensive Driver Training					
	- Participant					372
	- Basic certified					237
	- Advance level certified					106
	Driver fatigue test participants				54,387	59,462
	Individual Health Development Programme participants				169	218
	Medical check ups participants					
	- Employees			86%	85.8%	82.1 %
	- Family member			17%	16%	19%
	Absentee rate			0.08	0.08	0.09
	Average number of sick day/employee			1.6	1.6	1.8
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation				57	75
G4-LA8	Health and safety topics covered in formal agreements with trade unions			Yes	Yes	Yes

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-LA9	Average hours of training per year per employee					
	- Gender					
	- Male			47	58	60
	- Female			50	56	60
	Average training hours / employee			44	60	60
	- Employee category					
	- Top & senior management levels (TML+SML)			2,530	3,835	4,457
	- Middle management levels (MML)			22,840	37,421	43,989
	- Other levels (FML+NML)			84,301	114,093	120,653
	- Total			109,671	155,349	169,099
G4-LA11	Percentage of employees receiving regular performance and career development reviews					
	- Male				100%	100%
	- Female				100%	100%
	Percentage of employee participants in Employee Satisfaction survey				100%	0%
	Percentage of employee participants in e-Dialogue			100%	50%	45%
G4-LA12	Composition of governance bodies (BOD)					
	- 30 - 50					7
	- >50					2
	Total staff					
	- Gender					
	- Male			2,332	2,413	2,513
	- Female			244	271	294
	- Age group					
	- Age <30			380	443	542
	- Age 30 - 50			1,974	2,033	2,074
	- Age >50			222	208	191
	- Staff by type					
	- Permanent			2,487	2,598	2,697
	- Temporary			66	61	86
	- Expatriate			23	25	24
	- Staff by significant location					
	- Cilacap			623	608	584
	- Narogong			1,000	983	1,019
	- Others			953	1,093	1,204
	% of female workforce					
	- Board and senior management			15%	16%	4%
	- Middle management			16%	15%	5%
	- Superintendent level			7%	10%	18%
	- Supervisors & officers			9%	10%	28%

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category		According to our data, female salaries and male salaries are the same at all same levels			
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms					
	- Addressed during the reporting period					5
	- Resolved during the reporting period					100%
Society						
G4-SO1	Number of operations with Comrel engagement					
	- Cement plant			3	3	3
	- Total cement plant			3	3	3
	- Quarry			2	2	2
	- Total quarry			2	2	2
	- RMX batching plant			3	17	17
	- Total RMX batching plant			26	30	30
	Percentage of operations with engagement					
	- Social impact assessment					
	- Stakeholder involvement in CSR planning			5	5	5
	- CSR/SD membership			5	5	5
	- Stakeholder dialogues			5	5	5
	- Community engagement plans in place			0	5	5
	- Community advisory panels			4	4	4
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified		Mostly licensing matters		100%	100%
G4-SO4	Communication and training on anti-corruption policies and procedures					
	Total number and percentage of governance body members that the company's anti-corruption policies and procedures have been communicated to		Since 2012 initial face to face ABCD training has been conducted. The management have announced company standing on zero tolerance policy against corruption practices			
G4-SO5	Confirmed incidents of corruption and actions taken		Reported to the police		0	1
G4-SO6	Total value of political contributions by country and recipient/beneficiary			None	None	None
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes		As a group operating worldwide, Holcim has a clear well-established policy on fair competition and, in line with the Group Mission statement, has issued a Fair Competition Directive and a mandatory training requirement for all employees engaged in conducting its business operations.		0	0
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations				0	0

GRI	Disclosures	Pages	Explanation	2011	2012	2013
Environment						
G4-EN1	Materials that are used to produce and package the primary products					
	Non-renewable materials used (million tonnes)					
	Raw material consumption					
	- Limestone			8.95	9.17	10.14
	- Clay			1.50	1.35	1.33
	- Silica sand			0.35	0.43	0.42
	- Iron sand			0.09	0.09	0.11
	- Gypsum			0.28	0.32	0.33
	- Dust			0.13	0.10	0.00
	- Packaging Materials - paper			0.0175	0.024	0.0155
	- Others			0.84	0.85	0.49
	Renewable materials used (million tonnes)					
	Raw material consumption					
	- Fly ash , Bottom Ash, Gypsum synthetic			0.061	0.189	0.391
	- Copper slag			0.113	0.086	0.120
	Direct Materials (million tonnes)					
	Raw meal consumptions			9.819	10.088	10.037
G4-EN2	Total recycled input materials used/ input materials used (%)			1.8%	2.7%	5.1%
	Clinker factor (average % of clinker in cement)			80.4	79.3	77.2
G4-EN3	Energy consumption					
	Fuel consumption from non-renewable sources (TJ)					
	- Coal			19,368	19,301	18,971
	- Industrial Diesel Oil			171	129	110
	Fuel consumption from renewable fuel sources (TJ)					
	- Alternative biomass fuel			701	1,200	1,069
	- Alternative other fuel			760	744	904
	Electricity consumption (million Kwh)			704	738	773
	Heating consumption (TJ)			20,999	21,374	21,052
	Total energy consumption (TJ)					
	Energy consumption efficiency (TJ/ton cement)			0.0033	0.0030	0.0028
G4-EN5	Energy intensity ratio					
	- Heating consumption efficiency (MJoule/ton clinker)			3,328	3,340	3,307
	- Electricity consumption efficiency (Kwh/Ton cement)			94	92	91.4
EN6	Reduction of energy consumption (000 MJ)			(435,786)	(436,423)	(660,715)

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-EN8	Total water withdrawal by source (000m³)		Holcim Water Directive Protocol is the standard that followed			
	- Surface water, including water from wetlands, rivers, lakes, and oceans			546	445	341
	- Ground water			167	69	110
	- Rainwater collected directly and stored by the company			188	264	12
	- Municipal water supplies or other water utilities			233	189	458
	Water consumption (000m³)					
	- Cement			785	799	1,077
	- Aggregates (water withdrawal)			49	44	46
	- Ready-mix concrete			313	486	606
	Water consumption efficiency (l/t)					
	- Cement			110	99.5	89
	- Aggregates (water withdrawal)			23	20	11
	- Ready-mix concrete			275	382	138
G4-EN9	Water sources significantly affected by withdrawal of water					
	Volume of water recycled and reused (000m³)					
	- Cement plant			224	226	276
	- Aggregates			-	-	-
	- Ready-mixed concrete			NA	NA	123
G4-EN10	Percentage of volume of water recycled and reused to the total water withdrawal (%)					
	- Cement plant			61.2%	58.5%	52.1%
	- Aggregates			-	-	-
	- Ready-mixed concrete			28.5%	21.8%	25.4%
G4-EN11	Operational sites managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas		Up to 2013 there is only 1 location that classified as High biodiversity value, which is Nusakambangan Quarry in Cilacap Plant			
	- Geographic location		Nusakambangan E: 108.855 - 109.015 S: 7.645 - 7.690			
	- Subsurface and underground land		No			
	- Position in relation to the protected area or the high biodiversity value area outside protected areas		> 5 KM to Nature Reserve of Nusakambangan Barat & Nusakambangan Timur			
	- Type of operation		Extractive/Mining/Quarry area			
	- Size of operational site (ha)			94	94	112
	- Biodiversity value characterized by:					
	- The attribute of the protected area or high biodiversity value area outside the protected area (terrestrial, freshwater, or maritime ecosystem)		Terrestrial			
	- Listing of protected status (such as IUCN Protected Area Management Categories (67), Ramsar Convention (78), national legislation)		National Legislation			

GRI	Disclosures	Pages	Explanation	2011	2012	2013
	Sites in sensitive areas with Biodiversity Action Plans in place (%)					
	-Cement			66%	100%	100%
	-Aggregates			NA	NA	NA
	Approved mining plans by local authorities					
	-Cement			100%	100%	100%
	-Aggregates			100%	100%	100%
	Percentage of sites with quarry rehabilitation plans in place					
	-Cement			100%	100%	100%
	-Aggregates			100%	100%	100%
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas		High biodiversity value areas only occurred in Nusakambangan quarry. Others area whether direct or indirect impact are not near high biodiversity value			
	Report the nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:		Impacts mainly comes from mining activity, however company always monitor and mitigate the impacts thru implamentation biodiversity action plan			
	Report significant direct and indirect positive and negative impacts with reference to the following:		Our active mining area is less than 12% of Total mining concession. We dedicated approximately 65% from concession for Conservation area. Thus, we can minimize the negative impact from Species affected, Extent of areas and duration of impacts. Those impacts are also reversible since we are committed to do gradual and selective mining.			
G4-EN13	Size and location of all habitat protected areas or restored areas		Acccording to developed Biodiversity Action Plans (BAP) approximately 650 ha (65%) of the concession (IUP) dedicated as conservation area in NK IUP			
	Partnerships with third parties to protect or restore habitat areas		The initial biodiversity inventory study conducted by Fauna Flora International, while the implementation of BAP we are partnering with University (University of Jendral Soedirman, Gajah Mada University) and Local authority (BKSDA-Natural conservation Agency, LIPI - Indonesian Science Institute)			
	Standards, methodologies, and assumptions used.		Refers to High Conservation Value Forest method			
	Overall policy and approach to habitat protection and restoration		To protect some areas is choosen as biodiversity mitigation			
	Tree planting		Planted at Narogong, Cilacap, Tuban, Ciwandan, Jeladri, Maloko	37,768	51,000	64,915
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk					
	- Critically endangered		Fauna: Javan Leopard (<i>Panthera pardus melas</i>), Flora: Pelahlar (<i>Dipterocarpus littoralis</i>), Cengal (<i>Hopea sangal</i>)	3	3	3
	- Endangered		Flora: <i>Lithocarpus platycarpus</i> , <i>Anisoptera costata</i> Korth; Fauna: Pangolin (<i>Manis javanica</i>), Fishing cat (<i>Prionailurus viverrinus</i>)	14	14	14
	- Vulnerable		Flora: 3 species; Fauna: 10 species	13	13	13

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)					
	- Absolute gross CO ₂ emissions (tonnes)			5,395,610	5,439,631	5,437,999
	- Absolute net CO ₂ emissions (tonnes)			5,336,418	5,380,486	5,364,028
	Aggregates CO ₂ emissions					
	- Absolute gross CO ₂ emissions (tonnes)			5,998	3,148	7,730
	Ready-mixed concrete CO ₂ emission					
	- Absolute gross CO ₂ emissions (tonnes)			4,347	10,910	17,086
	Report gases included in the calculation (whether CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , or all). :					
	- SO ₂ (mg/Nm ³)			158	154.5	182
	- SO ₂ (g/t cem)			275.5	236	297
	- NO _x (mg/Nm ³)			302.4	229.2	264
	- NO _x (g/t cem)			551.5	406	461
	- Dust (mg/Nm ³)			19.3	20.4	24
	- Dust (g/t cem)			33	35.1	38
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)					
	- CO ₂ emissions (indirect) from external power generation			665,912	700,489	688,879
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)					None
G4-EN18	Greenhouse gas emissions intensity (direct and indirect)					
	- Specific gross CO ₂ emissions (kg CO ₂ /tonne cementitious materials)			691	666	656
	- Specific net CO ₂ emissions (kg CO ₂ /tonne cementitious materials)			683	659	647
	Aggregates CO ₂ emissions					
	- Specific gross CO ₂ emissions (kg CO ₂ /tonne of product)			1.49	1.43	1.57
	Ready-mixed concrete CO ₂ emission					
	- Specific gross CO ₂ emissions (kg CO ₂ /tonne of product)			2.32	2.05	1.60
G4-EN19	Reduction of greenhouse gas emissions - direct and indirect (tonnes)		Baseline calculation is year 2009	(233,274)	(440,593)	(535,433)
	CDM					
	- Carbon credits			-	124,195	-
	- Value (Euro)			-	35,296	-
G4-EN20	Emissions of ozone-depleting substances (ODS)		Not applicable, as cement plants do not generate any ODS emissions	NA	NA	NA
G4-EN21	NO_x, SO_x, and other significant air emissions		Continuous emissions monitoring takes place at all three kiln sites			
	SO ₂ (tonnes)			4,267	3,282	2,419
	NO _x (tonnes)			2,132	1,905	3,762
	Total Dust (tonnes)			256	284	310
	Implementation rate of continuous emission monitors (%)			100%	100%	100%

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-EN22	Water discharge by quality and destination					
	- Destination		River			
	- Quality of the water including treatment method		Sanitary Waste Water Treatment, Waste Water Treatment, and Settling Pond			
	- Whether it was reused by another company		No			
G4-EN23	Total weight of waste by type and disposal method (000 tonnes)					
	- Non-Hazardous				1,643	21,907
	- Reuse					0
	- Recycling					3,529
	- Composting					1,837
	- Recovery, including energy recovery					25
	- Incineration (mass burn)					2
	- Landfill					16,173
	- Other					341
	- Hazardous				295	294
	- Reuse					0
	- Recycling					0
	- Composting					0
	- Recovery, including energy recovery					194
	- Incineration (mass burn)					130
	- Landfill					0
	- Other					15
G4-EN24	Total number and volume of significant spills			0	0	0
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention (2) Annex I, II, III, and VIII, and percentage of transported waste shipped internationally			None	None	None
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the company's discharges of water and runoff		None. No water bodies are designated protected areas, while most rivers in Java have low levels of biodiversity			
G4-EN27	Extent of impact mitigation of environmental impacts of products and services		Cement product is not categorize as hazardous substances, however company already provide MSDS and also provide safety handling procedur on the bag			
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category		Our products are 80% sold by the bag but we do not have a formal packaging reclaiming service. Despite this an informal recycling programme of cement bags using existing networks of rubbish collectors is underway in Java and we currently estimate that around 50% of our bags are reclaimed in this manner	NA	NA	NA

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations					
	- Total monetary value of significant fines			No fines	No fines	No fines
	- Cases brought through dispute resolution mechanisms			0	0	0
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the company's operations, and transporting members of the workforce					
	- Transportation mix (%)					
	- Road			74.0	71.0	70.2
	- Rail			6.0	7.0	7.5
	- Waterway			20.0	22.0	22.3
	- Logistics fleet			15,443	15,740	13,455
G4-EN31	Environmental protection expenditures and investments					
	- Waste disposal, emissions treatment, and remediation costs (Rp million)					2,512
	- Prevention and environmental management costs (Rp million)				4,818	18,109
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken			None	None	None
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms			None	None	None
Mining						
G4-MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks					
	- Overburden			248,330	310,696	517,283
G4-MM4	Number of strikes and lock-outs exceeding one week's duration			0	0	0
G4-MM5	Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities			0	0	0
G4-MM6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples			0	0	0
G4-MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes		HIL conduct dialogue with community, involved and facilitated by Local Government Institution			

GRI	Disclosures	Pages	Explanation	2011	2012	2013
G4- MM10	Number and percentage of operations with closure plans		All mine sites and quarries have closure plans in line with Indonesian law			
G4- MM11	Programs and progress relating to materials stewardship		None at this stage	0	0	0



PT Holcim Indonesia Tbk.

Talavera Suite 15th Floor

Talavera Office Park

Jl. Letjen. TB Simatupang No.22 - 26

Jakarta 12430

www.holcim.co.id

Phone: (+62) 21 2986 1000

Fax: (+62) 21 2986 3333