

SUSTAINABILITY REPORT 2023

TOWARDS A
BETTER TOMORROW



LafargeHolcim Bangladesh Limited

A company of **LH** LafargeHolcim and **CEMENTOS MOLINS**

SDGs: Our Focus Areas



Design & Concept

This Sustainability Report 2023 has been conceptualized and designed by **RUMINATIVE**

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A company of  LafargeHolcim *and*  CEMENTOS
MOLINS

ABOUT THIS REPORT



Towards a Better Tomorrow

LafargeHolcim Bangladesh Limited (LHBL) had been operating in Bangladesh for more than two decades having one integrated cement plant at Chhatak in Sunamganj and three grinding stations in Narayanganj and Mongla. The company sources its basic raw material Limestone from its own quarry in Meghalaya, India through a 17 KM cross border long belt overhead conveyor connecting Bangladesh and India. It is also the highest Foreign Direct Investment (FDI) in the building material industry of the country.

LHBL is a member of Holcim Group based in Switzerland and Cementos Molins of Spain. Sustainability is rooted in the core of Holcim's strategy, which aims in accelerating the shift to circular, sustainable and energy-efficient cities with more nature inside. It is also executing its net-zero 1.5°C-aligned targets with speed and scale to decarbonize building across its lifecycle. Holcim's approach to sustainability is oriented around four key pillars: climate, circularity, nature and people & community. At LHBL, we are also focusing on these pillars.

LafargeHolcim Bangladesh Limited is proud to initiate its first Sustainability report where our major activities on the four key pillars has been highlighted. Bangladesh Government has short and long term plans to achieve the Sustainable Development Goals (SDGs) which are a global call to action to end poverty, protect the earth's environment and climate, and ensure that people everywhere can enjoy peace and prosperity. As one of the leading companies in building material sector we are also actively engaged and playing an important role in addressing 11 SDGs. We believe our efforts in driving sustainable positive changes shall help all of us to ensure a **better tomorrow** for our next generations.

WHAT'S INSIDE



We are offering sustainable waste management services through Geocycle wing ensuring circular economy.



We have undertaken number of sustainable development initiatives for the communities around our operations.

TOWARDS A BETTER TOMORROW: FOR THE PEOPLE AND PLANET



Aerial view of Surma plant in Chhatak, Sunamganj

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



Mohammad Iqbal Chowdhury, [Chief Executive Officer](#)

The year 2023 saw notable accomplishments as we advanced our strategy, prioritizing sustainability across all pillars of our operations with ambitious targets. A remarkable achievement in the year is the publication of first sustainability report in the cement industry, representing a significant step to our commitment towards sustainability. This report offers a comprehensive overview of our sustainable development initiatives, including our support for the government's endeavors to achieve the Sustainable Development Goals (SDGs).

As a member of the Holcim Group headquartered in Switzerland, we are actively engaged in its Net Zero journey, with clear targets and roadmaps toward achieving our 2030 and 2050 targets. Our parent company's approach to sustainability, characterized by transparency, rigor and science-based practices. Our upgraded 2030 climate targets, aligned to adhere to the new 1.5°C framework for the cement industry, received validation from the Science Based Targets initiative (SBTi).

Decarbonization is one of our major focus areas in 2023 and beyond, where our efforts in utilizing industrial mineral components and alternative fuels led to a reduction in clinker factor and an improved Thermal Substitution Rate (TSR) in our cement kilns. We remain committed to accelerating decarbonization efforts, evidenced by a planned investment in expanding our Geocycle project, offering innovative waste management solutions to various industries such as Garments & Textile, Leather, Paper, FMCGs, Pharmaceuticals and Tobacco. We have also partnered with the Sylhet City Corporation for sustainable disposal of municipal solid and plastic waste. We're actively driving decarbonization initiatives



throughout our entire operation, including our plants and corporate office.



Decarbonization is one of our major focus areas in 2023 and beyond.

In 2022, we launched the "Office Goes Green" initiative in our corporate office in collaboration with the Holcim Group, aimed at enhancing sustainability and promoting environmentally conscious habits among our employees. This effort successfully phased out the use of plastic bottles within our office premise.

we conducted various awareness programs on World Environment Day to discourage plastic and polythene usage. We also extended our sustainability message to future generations through programs at the LHBL Community Welfare School. Looking ahead, we plan for electric vehicles and implement solar panel installations at our plants.

6.5%

REDUCTION OF
FRESHWATER
WITHDRAWAL



We achieved our 2023 biodiversity targets by rehabilitating our limestone quarry in Meghalaya, India, with a focus on preserving biodiversity.

On the environmental front, we achieved our 2023 biodiversity targets, implementing rehabilitation plans for our limestone quarry in Meghalaya, India, with a focus on biodiversity preservation. Additionally, progress was made in reducing total freshwater withdrawal by 6.5% particularly in cement-specific applications.

A sustainability-linked loan agreement with HSBC Bangladesh underscores our commitment to environmentally and socially responsible economic activities, aligning with the United Nations' Sustainable Development Goals.

In terms of business transformation, significant steps were made in product

A sustainability - linked loan agreement with HSBC Bangladesh underscores our commitment to environmentally and socially responsible economic activities.

diversification, including specialized cement offerings, concrete block manufacturing and entry into the Aggregates business as a 100 percent import substitute. We have plans to introduce more environment friendly products in the days to come.

Driven by a commitment to innovation and sustainability, we are dedicated to shaping the future of construction for the betterment of people and the planet. Moving forward, sustainability will remain at the core of our business as we continue to drive initiatives in 2024 and beyond.



MoU signing ceremony between LHBL and HSBC

Mohammad Iqbal Chowdhury

Chief Executive Officer

MESSAGE FROM THE CHIEF CORPORATE AFFAIRS OFFICER



With pleasure, I provide you with an overview on the initiatives that LafargeHolcim Bangladesh Limited is working on as we continue our journey towards sustainable growth and community development.



Asif Bhuiyan, *Chief Corporate Affairs Officer*

LafargeHolcim Bangladesh Limited aims for both corporate growth and sustainable community development at its operational sites in Bangladesh and Meghalaya, India. Our primary mission is to preserve the environment, ensuring resources are utilized sustainably. We prioritize promoting climate-smart solutions in all our activities. For instance, when sourcing limestone, we advocate for safe mining practices and restoration efforts, including tree plantation.

We address community development challenges from various angles. We support child education through our dedicated primary school. We promote women empowerment through skill development training. Our fully owned clinics offer free healthcare services, and we contribute to environment by implementing modern technologies and tree plantation initiatives. This comprehensive approach contributes significantly to sustainable development.

We prioritize four key pillars while committing to sustainable development initiatives for the community:

- 1 HOUSING & INFRASTRUCTURE**
- 2 EDUCATION & SKILL DEVELOPMENT**
- 3 HEALTHCARE**
- 4 ENVIRONMENT**

The selection of projects is based on the community's needs, assessed through our engagement with the community.

In Chhatak, Sunamganj, we operate a fully integrated cement plant and additionally, we have three grinding stations located in Narayanganj and Mongla.



Candle making training at our skill development center

Our primary raw material limestone for cement and aggregates production is sourced from our own quarry in Meghalaya. To transport limestone to our Chhatak Plant, we utilize a 17 KM cross-border long belt conveyor, a unique system in the world.



We established a primary school in Chhatak providing free education up to class five and sponsor one school in Meghalaya.

When we began operations in the late 90s, both the neighboring communities in Chhatak and Meghalaya were facing a lack of essential facilities. Educational institutions and healthcare facilities were insufficient.

In response, we established a primary school in Chhatak, offering free education up to class five for community children. Additionally, we sponsor one school in Meghalaya. We have also established six sub-centers to ensure education and healthcare services in the remote locations for the community. To further support the community, we've set up skill development training centers in both Chhatak and Meghalaya, providing local women with opportunities for sustainable living.

The healthcare clinics in Chhatak and Meghalaya provide free treatment and medication, with dedicated MBBS doctors ensuring 24/7 service. In 2023, we also conducted two special health camps focusing on liver and eye care. Specialist doctors from the capital city and Sylhet provided free consultations and medication to underprivileged the community people. In 2023 approximately 30,000

community people were benefitted from our health initiatives.

We are committed to support the communities around our operations. In 2022, when the Sylhet region faced the worst flood in Bangladesh's history, LafargeHolcim Bangladesh swiftly responded by opening our community development center to provide a safe shelter. We ensured timely provision of food and distributed essential supplies to more than 5,000 flood-affected families. Additionally, our employees generously donated one day's salary to support the affected community.

Addressing the challenge of fresh drinking water scarcity in Chhatak, we implemented an

innovative solution: rainwater harvesting. Ten facilities were installed, benefitting at least 500 community people throughout the year.

To protect the environment, modern equipment and sufficient dust collectors are in place while we ensure significant number of tree plantation every year. In addition, we've established a community advisory panel comprising members from diverse professions and local opinion leaders. This panel convenes quarterly to share updates on sustainable community development initiatives. Furthermore, the panel provides valuable insights into community expectations and needs, which we address as applicable.

A key aspiration of ours is to foster an enabling environment for young people to actively participate in positive development processes that benefit the surrounding communities. We believe in learning from our communities, as mutual support with knowledge and skills strengthening solidarity and shared experiences.

As a member of the world leader in innovative and sustainable building solutions, LafargeHolcim Bangladesh puts Environmental, Social and Governance (**ESG**) at the heart of our "Strategy 2025 – Accelerating Green Growth". We understand the importance of living up to our responsibilities. That's why we try our best to adhere the highest ESG standards throughout our operations and management. In our journey to achieve sustainability and survive in this changing climate we are committed to do more than just reduce our emissions and impact as we shift towards building resilience.

Thank to our community for their continued support helping us to work towards a brighter and more sustainable future together.



Asif Bhuiyan

Chief Corporate Affairs Officer



AWARDS & RECOGNITIONS



LafargeHolcim Bangladesh wins Sustainability Excellence Award by the Daily Star & CSR Window for consecutive years. The company won the award for Sustainable Community Development and healthcare initiatives in 2023 and 2022 respectively.



SDG Brand Champion Awards 2023 for Sustainable Community Development



SDG Brand Champion Awards 2023 for Affordable and Clean Energy



SUSTAINABILITY

2023 Key Achievements

~5kg

PER TON
of cementitious
materials reduced

~50

THOUSAND TONS
of waste disposed

8

LITERS WATER
usages reduced per
ton of cementitious
material

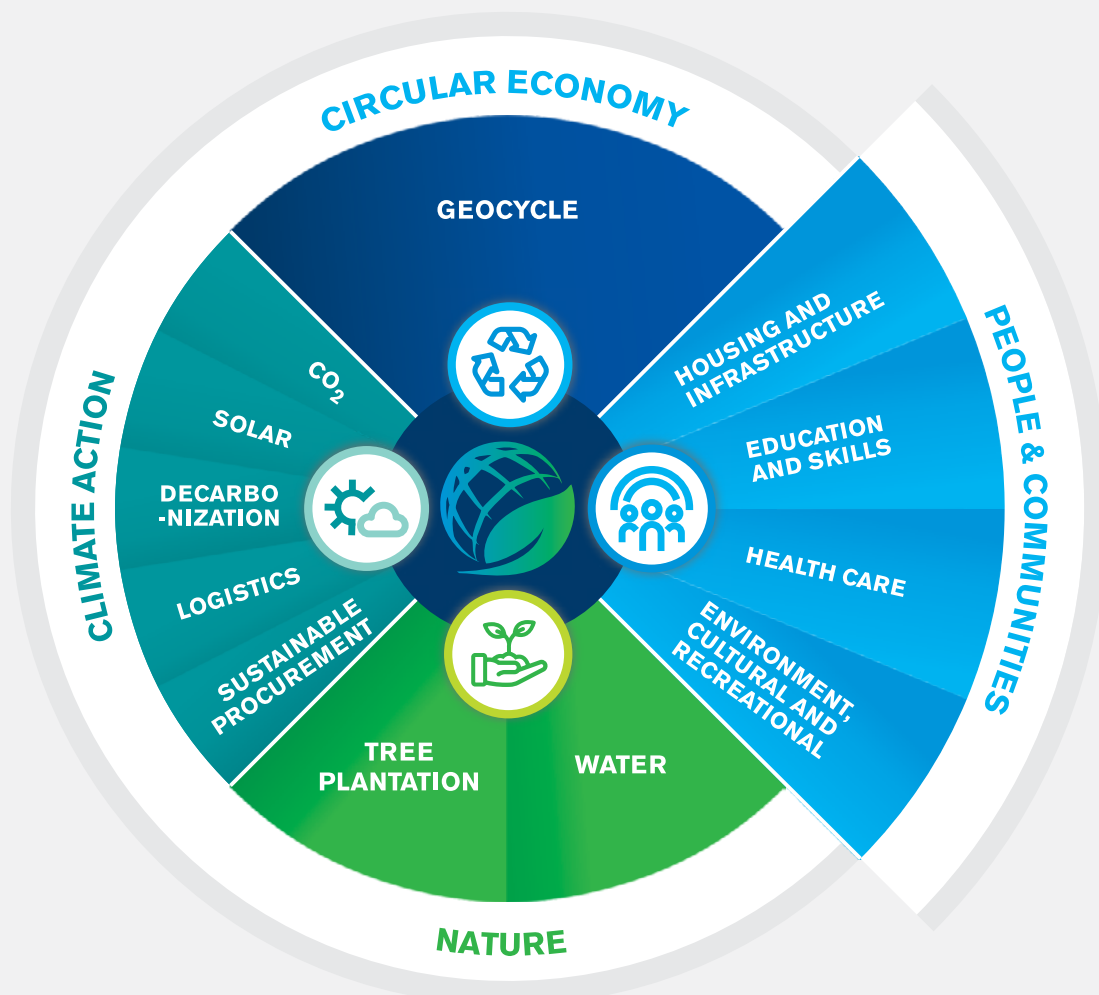
74,602

BENEFICIARIES
of our community
development program

SUSTAINABILITY PILLARS

At LafargeHolcim Bangladesh, sustainability is not just a commitment; it's at the core of our operational ethos. From pioneering building materials to creating positive social impact, our strategies are involved with sustainable practices. As we embark on our global journey towards becoming a Net Zero company, we leave a significant imprint on Bangladesh's landscape by actively promoting circular economy. With every innovation and initiative, we strive to lead by example from reducing carbon footprints to engaging communities, setting new standards in sustainable leadership.

Our approach to sustainability aims to decouple our business growth from emissions and resource used while increasing our positive social contribution. We focus on four key pillars of actions: Climate Actions, Circular Economy, Nature, People and Communities, to create value for our business and shareholders, aligned with our mid and long-term strategies.





CLIMATE ACTIONS



Solar panel installation for energy support at Surma Plant

**AS PART OF OUR DECARBONIZATION JOURNEY, HOLCIM GROUP
COMMITTS TO REDUCE GROSS SCOPE 1 AND 2 GREENHOUSE GAS (GHG)
EMISSIONS BY 26.2% PER TON OF CEMENTITIOUS MATERIALS BY**

2030

The SBTi approved these revised near-term targets as consistent with their 1.5°C science-based framework aligning with the requirements of the Global Cement and Concrete Association's "Sustainability Framework Guidelines" and International Greenhouse Gas Protocols.

**ALL 15 CATEGORIES OF SCOPE 3 EMISSIONS HAS BEEN INCORPORATED
IN THE TARGET OF**

2050

Holcim was the first Global building materials and solutions company to have its 2030 and 2050 net-zero targets validated by the science based targets initiative (SBTi) for all scopes.

TOWARDS A GREENER TOMORROW

In an era marked by increasing environmental awareness, Holcim is the first in the building materials and solutions industry that signed Net Zero pledge, validated by the Science Based Targets initiative (SBTi). LafargeHolcim Bangladesh has taken a number of initiatives leading to significant reductions in carbon emissions ensuring positive environmental impact.

LafargeHolcim's Environmental Commitments

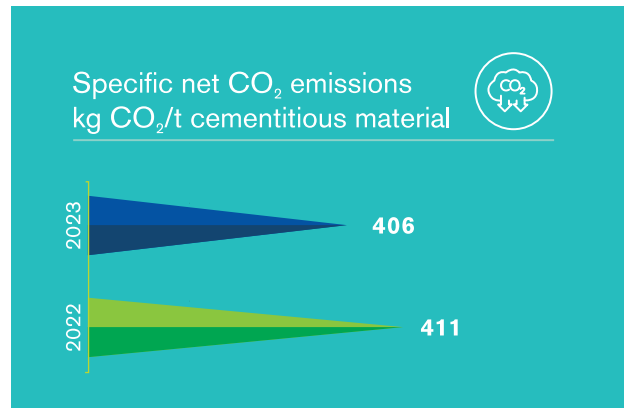
CLIMATE AND ENERGY	DECARBONIZATION	NATURE CONSERVATION
SOLAR ADOPTION	TREE PLANTATION	RAINWATER HARVESTING



Pre-heater in Surma plant, Chhatak, Sunamganj

CO₂

LafargeHolcim's dedication in reducing carbon emissions is evident in its operations. LHBL operations achieved a significant reduction in specific net CO₂ emissions, decreasing by approximately 5 kg per ton of cementitious materials in 2023, demonstrates the company's dedication to sustainability and environmental responsibility. Such efforts are crucial in the global context against climate change and LafargeHolcim's progress.



SOLAR

Recognizing the importance of renewable energy sources, previously reliant on 100 percent fossil fuel-based captive power, the LafargeHolcim's Surma Plant has initiated the exploration of solar energy alternatives.

As a pilot initiative, a 15 kW capacity solar system was successfully installed, becoming operational since June 01, 2023.

This rooftop solar system now integrates seamlessly with the plant's lighting distribution system, marking a significant step towards sustainable energy practices.

This transition reduced fossil fuel dependency which underscores the company's commitment to clean energy solutions and mitigating climate change.

15 kW
CAPACITY SOLAR SYSTEM

was successfully installed,
operational since
June 01, 2023



JOURNEY TOWARDS A ECO-FRIENDLY LOGISTICS OPERATIONS

LafargeHolcim, a leading building materials company, has made significant progress in enhancing the sustainability of its logistics operations. This report provides an overview of key initiatives implemented by LafargeHolcim, resulting in a commendable reduction in carbon emissions achieved through efficient transportation methods and strategic location optimization.

Reducing Carbon Emissions

LafargeHolcim has successfully reduced CO₂ emissions in 2023. This accomplishment underscores the company's dedication to environmental responsibility. Our logistics operations contributed significantly in reducing CO₂ emissions supported by new and innovative distributions channels and ideas.

22%
CO₂ EMISSIONS

reduced per ton of sales
compared to the baseline year 2020

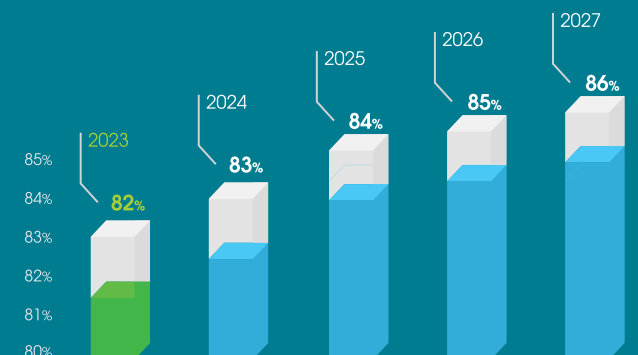
Shifting to Waterways Deliveries

LafargeHolcim's commitment to sustainability is evident in its strategic shift towards waterways deliveries. By utilizing water transport, particularly through the introduction of Barisal & Kaliganj Ghat, the company has eliminated long-distance truck transport from the grinding stations.



**This move not only reduces
overall fuel consumption but
also minimizes the
environmental impact of
traditional road transportation.**

Waterways Distribution Volume Share (%)





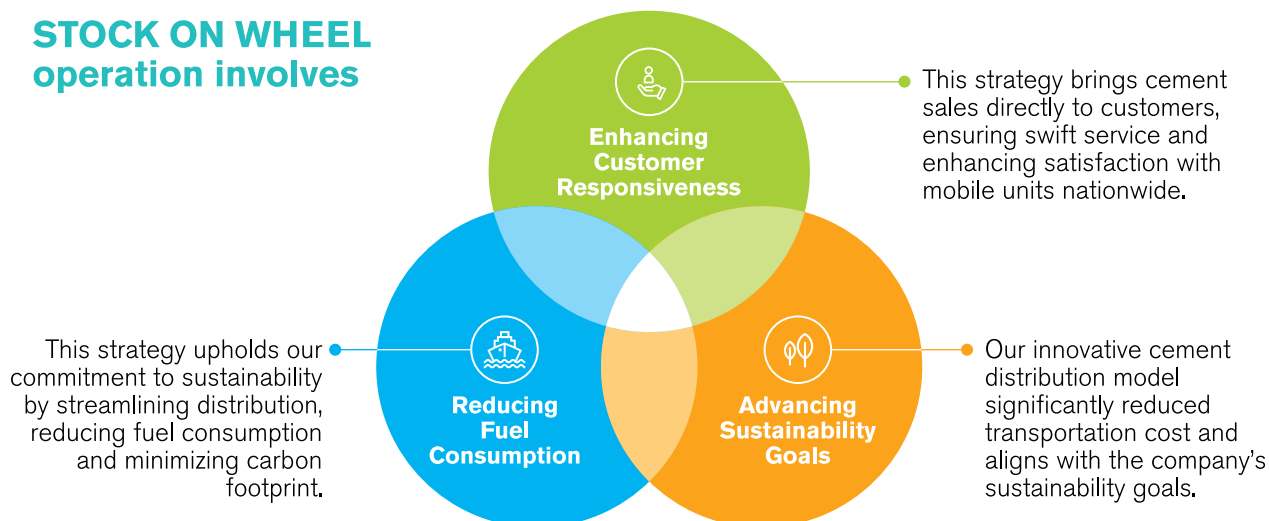
Stock on Wheel Operation

LafargeHolcim's customer-centric Logistics Transformation: Implementing of 'Stock on Wheel' Logistics Approach for Revolutionizing Responsiveness and Sustainability.

LafargeHolcim has adopted '**Stock on Wheel**' strategy, moving closer to the customers with larger capacity trucks. This approach enhances the company's responsiveness to customer

needs and simultaneously reduces fuel consumption. The usage of bigger capacity trucks promotes more efficient logistics operations, aligning with our sustainability goals.

STOCK ON WHEEL operation involves



SUSTAINABLE PROCUREMENT: A WAY FORWARD TOWARDS SUSTAINABILITY

LafargeHolcim's commitment to respect environmental protection and fulfilling climate and nature pledges is integral to the collaborative approach with our suppliers across all markets. Our dedication to sustainability is not merely a tagline but is deeply embedded in our procurement strategy known as "Sustainable

Competitiveness." This strategy aims to promote the procurement of sustainable products and services that not only meet market competitiveness but can also be rapidly scaled up. The goal is to facilitate progress for both people and the planet on a substantial scale.

Key Focus Areas in our Sustainable Procurement



DUE DILIGENCE

Implementing a risk-based process to identify, prevent and manage potential adverse Environmental, Social and Governance (ESG) impacts in the supply chain. It serves as a strong mechanism to ensure ethical and responsible practices in our business partnerships.



CLIMATE IN THE SUPPLY CHAIN

Guiding purchase decisions to reduce CO₂ emissions and improve energy efficiency. By prioritizing sustainable choices, we aim to mitigate our environmental footprint and support global climate objectives.



NATURE IN THE SUPPLY CHAIN

Directing purchase decisions to reduce dependency on natural resources and minimize negative impacts on biodiversity and water. Our focus on nature in the supply chain aligns with broader ecological conservation efforts.



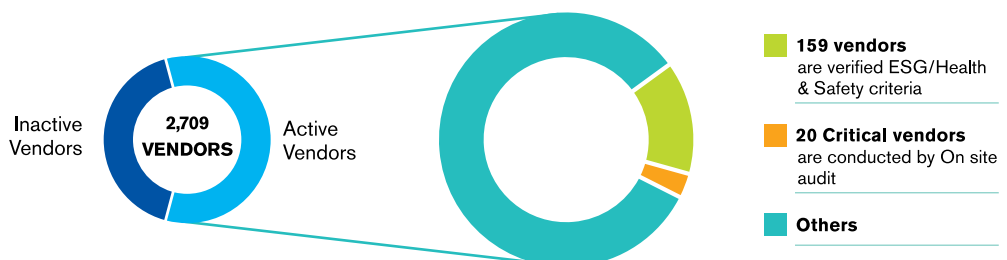
LafargeHolcim's approach goes beyond simple adherence; it is a proactive commitment to sustainable competitiveness, emphasizing our responsibility to drive positive changes for the well-being of both people and the planet.

LafargeHolcim's Pioneering Success: Achieving Green Status and 100% Vendor Due Diligence in Q3, 2023

LafargeHolcim initiated the due diligence process in 2019, initially focusing on in-scope vendors. By the end of 2023, due diligence was completed for a total of 2,709 vendors. Among them, 1,585 were active vendors. Through prioritization based on ESG/Health & Safety criteria, compliance was verified for 159 vendors, and on-site audits were conducted for 20 critical vendors specifically on

ESG/H&S criteria. In Q3, 2023, LafargeHolcim Bangladesh achieved a significant milestone by becoming the first country in the Asia, Middle East and Africa (AMEA) region to achieve a green status in third-party due diligence (TPDD) KPI, successfully completing due diligence for 100% of vendors.

Completed due diligence in 2023





CIRCULAR ECONOMY



Geocycle operations in Surma plant, Chhatak

TRANSFORMING WASTE INTO RESOURCES: PATH TOWARDS A ZERO WASTE FUTURE

Geocycle, the waste management project of Holcim Group is the leading provider of industrial, agricultural and municipal waste management services globally and currently operates in 50 countries with proven technology of “co-processing”.

In today's global landscape, the concept of a circular economy stands as a beacon of sustainability, offering a transformative approach to waste management. We offer a unique large-scale recovery and recycling service to tackle the global waste challenge known as “GEOCYCLE” where waste becomes a valuable resource.

This paradigm shift holds the key to not only reducing environmental impact but also unlocking economic opportunities and improving social well-being. Through innovative waste management strategies rooted in circular economy principles, we embark on a journey towards a greener future.

Geocycle: Pioneering Sustainable Waste Management in Bangladesh

Waste Challenges: Bangladesh

Bangladesh at present has one of the highest rates of urbanization in south Asia resulting in rapid growth of waste generation every year. A study suggests, by 2025 waste generation in Bangladesh shall be approximately 20 million tons per year which is more than 4 times over the last three decades. For a country like ours with such a high waste generation rate is a big challenge and concern for the pertinent authorities and waste generators to dispose of this in a sustainable manner. An average of approximately 55% of solid waste remains uncollected in urban areas which is a serious threat to our health and environment. In most

cases, due to lack of stringent policies for waste disposal and subsequent monitoring by the authorities; waste is not segregated formally resulting in piling up of hazardous waste and creating immense pressure on landfills.

Leading Bangladesh's Sustainable Waste Management

LHBL has set up a state of the art facility for the disposal of various types of wastes in a sustainable manner through its Geocycle project at its Chhatak Plant, Sunamganj. The company has successfully disposed of approximately 50,000 MT of different kinds of wastes like municipal solid waste, tannery, textile,

pharmaceutical, FMCG and other solid waste in 2023. Geocycle has the capacity of disposing more than 100,000 MT of waste per annum and the company has plans to increase the capacity to 300,000 MT in the days to come.

Geocycle: Ensuring Affordable and Clean Energy

Geocycle is effectively reducing reliance on traditional fuel and has a significant contributions to the circular economy. We have a vision to double Thermal Substitution Rate (TSR) in 2024 by disposing of 65,000 MT waste in a sustainable manner.

Driving Co₂ Reduction and Plastic Waste Management

Geocycle's impact transcends waste management boundaries, it plays a vital role in reducing CO₂ emissions per metric ton of

cementitious material. Geocycle collaborates with stakeholders to finalize frameworks for plastic waste management, adopting a cradle-to-grave approach to address plastic waste challenges and ensure zero waste to landfill.

Innovative Waste Management Solutions for Municipalities and Tannery

Geocycle is actively engaged in projects aimed at tackling municipal solid waste disposal and working towards the ambitious goal of zero waste to landfill. Furthermore, Geocycle demonstrates its commitment to eco-friendly practices by effectively disposing of hazardous tannery waste. Geocycle has started disposing of municipal solid waste of Sylhet City Corporation and tannery waste, which had been a grave concern for the country.



BGMEA Leaders Tour at Surma Plant in Chhatak



COLLABORATIONS AND PARTNERSHIPS

In addition to these efforts, Geocycle forms strategic partnerships, exemplified by the Memorandum of Understanding (MoU) signed with the BGMEA, aimed at addressing textile waste management.

Collaborating with leading industries in Pharmaceuticals, FMCGs, Oil and Gas, and Tobacco, Geocycle provides sustainable solutions for the disposal of various waste types, highlighting its key role in improving environmental sustainability across diverse sectors.



LafargeHolcim Bangladesh and Sylhet City Corporation jointly installed the country's first ever material recovery facility in Sylhet which was inaugurated by the LGRD Minister of the People's Republic of Bangladesh Md. Tajul Islam, MP



LafargeHolcim and Sylhet City Corporation join hands for sustainable waste management

Sylhet City Corporation and LafargeHolcim Bangladesh Limited jointly installed a Material Recovery Facility in Sylhet for sustainable solid waste management and plastic waste segregation. The plant was inaugurated in early 2024 at Sylhet's Lalmatia Dumping Ground by the Minister of Local Government, Rural Development and

Cooperatives (LGRD) of the People's Republic of Bangladesh Md. Tajul Islam, MP. Muhammad Ibrahim, Local Government Division Secretary, Anwaruzzaman Chowdhury, Mayor, SCC, Mohammad Iqbal Chowdhury, CEO, LafargeHolcim Bangladesh Limited were present along with other officials of both the organizations.



Sylhet City Corporation and LafargeHolcim Bangladesh Limited launched the country's first municipal solid waste and plastic segregation plant. Automatic segregation of non-biodegradable plastic products will be possible through this plant which are harmful to the environment.

Kaushik Mukherjee

Head of Geocycle Bangladesh



One of our goals is to transform Sylhet City into a plastic free city. We are working with LafargeHolcim for this purpose. My request to the people of Sylhet is to be aware and reduce the usage of plastic products. With your help, we want to become the first plastic waste free city corporation in the country.

Anwaruzzaman Chowdhury

Mayor, Sylhet City Corporation



LafargeHolcim is co-processing different types of hazardous and non-hazardous products in a sustainable manner in the only integrated cement plant of the country. We are going to start co-processing Sylhet City Corporation's municipal solid and plastic waste using our facility. We will encourage the surrounding municipalities of Sylhet City Corporation to use this facility in coming days.

Mohammad Iqbal Chowdhury

Chief Executive Officer



Material recovery plant in Sylhet



NATURE



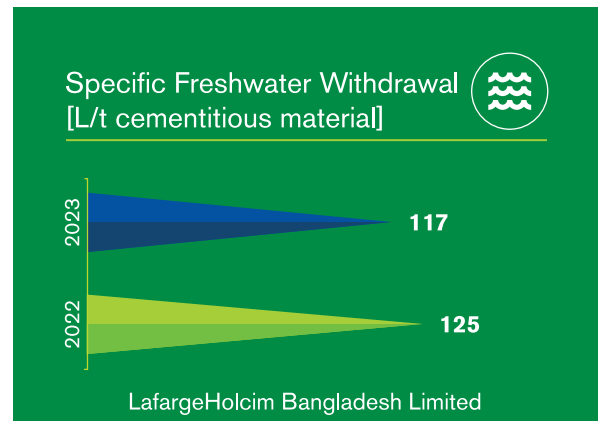
Tree plantation around our Surma plant, Chhatak

LAFARGEHOLCIM'S COMMITMENT TO NATURE CONSERVATION

Nature absorbs half of the world's carbon emissions and is the foundation of our economies and lives. Our Nature Strategy focuses on restoring and preserving biodiversity and freshwater ecosystems. We aim to bring nature into cities to improve living standards and make urban areas more resilient.

Achieving Significant Reductions in Freshwater Withdrawal

Nature is a focal point for LafargeHolcim, focusing primarily on water and biodiversity conservation. In 2023, substantial progress was made towards strategic water targets, with a notable decrease in fresh water withdrawal in cement production by 8 liters per ton of cementitious materials. This achievement was facilitated by initiatives such as enhanced water recycling and the installation of rainwater harvesting system at Surma plant.



Tree Plantation project at Surma plant, Chhatak

TREE PLANTATION

LafargeHolcim's extensive tree plantation efforts signify its dedication to environmental restoration and pollution mitigation. With over 12,000 trees planted at the Surma plant alone, LafargeHolcim is actively contributing to enhancing green cover and combating deforestation.

12,000

trees planted at
Surma plant



Tree Plantation at Lafarge Umiam Mining Pvt. Ltd. (LUMPL) at Meghalaya, India

LUMPL is dedicated to ensure a pollution-free and healthy environment through organizing regular tree plantation programs within the site and surrounding localities.

LUMPL's tree plantation initiatives complement LafargeHolcim's broader environmental goals, with a focus on native species and biodiversity conservation.

~44,000

native plants planted
inside and outside the
mining lease, sourced
from the in-house nursery



RAINWATER HARVESTING AT SURMA PLANT

Situated in the northeastern region of Bangladesh, the Surma plant benefits from an abundance of rainfall, with an annual average exceeding 4500 mm. This geographical advantage, coupled with the extensive limestone and clay terrain, provides an ideal setting for rainwater harvesting. Recognizing the potential of this natural resource, the Surma team devised a strategic concept to utilize harvested rainwater for equipment cooling purposes, thereby reducing reliance on freshwater sources. As a result of this initiative, the plant successfully harvested an average of 7500 m³ of rainwater annually in 2023, showcasing a commitment to sustainable water management practices.

7500m³
of rainwater was harvested
in 2023



LafargeHolcim's steadfast commitment to sustainability emphasizes its role as a leader in the building materials industry. Through a comprehensive approach encompassing energy efficiency, nature conservation, renewable energy adoption, afforestation efforts and water management practices, the company is setting new standards for environmental responsibility. As LafargeHolcim continues to innovate and collaborate towards its net-zero targets, it remains dedicated to driving positive changes for both people and the planet.



COMMUNITIES



Students at LHBL Community Welfare School, Chhatak

IMPROVING LIVELIHOODS: SETTING UP A DEDICATED COMMUNITY DEVELOPMENT CENTER

Believing in growth with the communities around LHBL's operations, it has undertaken wide ranging Sustainable Community Development activities around its integrated cement plant at Chhatak in Sunamganj and quarry in Meghalaya, India. The company is committed to ensure sustainable development of the economy, community and environment through responsible business operations, environmental management and community development initiatives in the area of education, healthcare, skill development, infrastructure development and environment.

LHBL conducts all regular sustainable community development activities through a NGO named Institute of Development Affairs (IDEA) ensuring active monitoring by the company. The company's Community Development Centre

(CDC), located beside its plant is the hub of all its community development activities. It is home to a primary school, where children can receive free education up to grade five; a medical centre, where people can receive free medical services and medicines; also a skill development training centre, where both men and women are provided sustainable skill development training for employment and income generation. The training is provided by professionals of the relevant fields. Six LafargeHolcim Sub-Centres also established in remote villages to support the people who cannot access the benefit of the CDC.

At the quarry site we are fully sponsoring one school and established dedicated clinics for the community. We also provide skill development training for the local women at Meghalaya, India.

HOUSING AND INFRASTRUCTURE

LUMPL's Infrastructure Activities: Enhancing Connectivity in Hilly Areas

LUMPL has undertaken infrastructure creation initiatives, including pathways to improve connectivity between villages, safety railings for schoolchildren navigating steep steps and

drainage solutions to address hilly terrains and prevent landslides. These initiatives enhance LafargeHolcim's commitment to positive social impact and sustainable development.

Repairing Roads, Helping the Community to Stay Connected: LHBL's Response to the 2022 Sylhet Flood

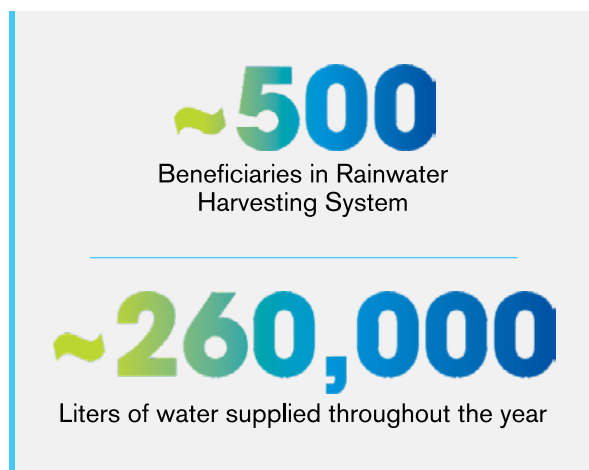
In 2022, Sylhet region faced its most severe recorded flood, submerging nearly 70% of the city. This flood had a uniform impact on both urban and rural areas, resulting in the destruction of about 10,000 homes. The flood also caused extensive damage to the infrastructure, with approximately 3,388 kilometers of roads and 442

bridges and culverts.

Aligned with LHBL's unwavering commitment to advancing societal progress and improving living standards for all, we supported the local authorities in repairing roads connecting to our operations.

Ensuring Fresh Drinking Water For Community: Rainwater Harvesting in Chhatak

The community of Chhatak has long grappled with the challenge of securing safe drinking water, often resorting to collecting water from sources that are unsafe to drink, like ponds, which puts them at risk of contracting various water-borne diseases. They even have to travel 2-3 kilometers to collect fresh water. Chhatak normally observes rainfall for about six to seven months in a year. Addressing the longstanding concern of safe drinking water in Chhatak, the company has taken a proactive approach. In response to the challenges faced by the community, LHBL installed ten rainwater harvesting facilities, providing a sustainable solution.



LUMPL's Support in Shella and Nongtraï Villages

In the villages of Shella and Nongtraï, where access to drinking water from hills and mountains is a primary challenge, has stepped in to support the community. By implementing pipeline connections and water distribution platforms, LUMPL aims to conserve the free-flowing water sources, facilitating easier access for villagers to bring water to their homes. This initiative aligns with sustainable water management practices and addresses the critical issue of water shortage in these regions.



Students at our LHBL Community Welfare School at Chhatak

EDUCATION

Offering free primary education

Earlier a major portion of the community children in Chhatak never went to any school as there was no schooling facility nearby and the guardians lacked motivation to educate their children. LafargeHolcim Bangladesh Limited was able to change the situation by offering a primary school in its community development center named

“LHBL Community Welfare School” which had been providing free education up to class five. 6,500 students have completed their primary education from LHBL Community Welfare School so far. The company also set up six sub centers in the remote areas ensuring access to quality coaching for the community children.

LUMPL's Contribution in Nongtrai Village

In 2010, LUMPL took a proactive step by establishing the Nongtrai Secondary School in Nongtrai Village to address dropout rates. Previously, the village only had education facilities up to Class 7.

The Nongtrai Secondary School now enrolls approximately 120 students from classes 6-10, playing a crucial role in providing education to both elementary and secondary school students.

Supplementary Coaching for Students

This initiative was launched in 2000 with the goal of providing additional educational support to community school students. In 2023, approximately 280 students attended in the coaching classes. This indicates a significant effort to enhance the educational opportunities available to students in the community around our operations.

Sheila Village Tuition Centre

The Sheila Village Tuition Centre, established with a commitment to academic excellence, provides free after-school coaching for students in classes 9 and 10, preparing them for the Secondary School Leaving Exams. Approximately 45 students benefitted from the tuition center's services each month.

EMPOWERING COMMUNITIES THROUGH SKILL DEVELOPMENT

A central focus of the company's sustainable community development initiatives lies in providing free skill development training. This training, aimed at improving inclusive and lifelong learning opportunities, equips individuals for future employment or entrepreneurship endeavors.

Empowering Women through Small Enterprise Development

Creating employment opportunities for the locals by providing free sustainable skill development training has always been one of the key focus areas of the company's sustainable development initiatives. It provides Small Enterprise Development training in tailoring, embroidery, candle making, solar power panel installations and mobile handset repairing as part of the company's effort to drive women empowerment. Once living as dependent housewives, women of the community at Chhatak now have sufficient opportunities for empowerment through these income generating activities. More than 1,000 women from the local community of Chhatak have received the training till date.



Tailoring Training class conducted by LHBL

~1,000

people received training
from our LHBL Training Center

Impactful Outreach since 2000

Since the inception of these initiatives in 2000, approximately 1,000 individuals from the local community, with a special focus on women, have received skill development training. This initiative serves as a catalyst, empowering them to efficiently manage personal and family expenses.



Training center at LUMPL

LUMPL's Empowerment Initiatives: Diversed Skill Training Programs

In collaboration with the Weaving and Sericulture Department of the Government of Meghalaya, LUMPL has trained approximately 70 women in organic weaving. The Department provides trainers, while LUMPL supplies looms and yarn. Two Self Help Groups, each consisting of around 10 weavers, have become self-sustained, earning independent incomes from their weaving enterprises.

Approximately 20 individuals have received training on beekeeping, leading to the initiation of a Self Help Group. This initiative provides seasonal income, contributing to sustainable livelihoods. 10 women were trained in food processing, specifically in making jams and pickles. This initiative has led to the creation of a Self Help Group, providing an additional income stream for these women.

Highlights of 2023

**LHBL COMMUNITY
WELFARE SCHOOL**

267
primary students

**LHBL SUPPLEMENTARY
COACHING**

312
students

**SKILL DEVELOPMENT
CENTRE**

180
trainees

DEDICATED CLINIC AND SPECIALIZED CAMPS

LafargeHolcim provided free healthcare through clinic in Chhatak, serving over 30,000 patients in 2023. The mobile clinic at Nongtraï, Meghalaya benefitted 1,900 patients. Additionally, the company organized specialized health camps.

LafargeHolcim's Commitment to Community Health

Since its inception, LafargeHolcim Bangladesh Limited has been steadfast in its commitment to supporting marginalized communities, particularly

in addressing healthcare challenges and improving a healthier, more equitable community.

LHBL's Pioneering Impact in Healthcare

More than 350,000 patients have benefitted from LHBL's clinics and sub-centers since the establishment of the company. This initiative ensures not only access to essential healthcare services but also availability of safe, effective and affordable essential medicines and vaccines, contributing to the well-being of the community.

350,000

patients have benefitted from LHBL's healthcare initiatives since inception



Liver specialists from the capital city providing treatment to the community patients



Patients waiting at our healthcare center in Chhatak

Medical Centre at CDC

As part of its community development initiatives, the Company prioritizes healthcare, with a focus on the medical centre located in CDC. Staffed by a full-time qualified physician and a nurse, the centre offers free medical assistance to the local community. Services include free health consultations, medicinal support, vaccinations and health counseling.



Medical Sub-Centre

In an effort to extend healthcare services to marginalized and remote communities, six sub-centres has been established in the Chhatak area. Each sub-centre operates with a paramedic, ensuring that essential healthcare reaches the doorsteps of communities in need.

**CDC – Community Development Centre*



Highlights of 2023

CDC Medical and Sub-centres

~30,000

patients received free services

Specialized Health Camp

~550

patients received services from 2 specialized Health camps

Generalized Health Camp

~250

patients received services from 2 general Health camps

Free Liver Camp at Chhatak, Sunamganj

On June 21, 2023, LHBL organized free medical camp at its Surma Plant in Chhatak, Sunamganj. This initiative underscored LHBL's commitment to community welfare. Twelve (12) liver specialists from the capital city traveled to Chhatak to provide quality treatment.



Free Eye Camp at Chhatak, Sunamganj

LHBL organized a free eye camp at Chhatak, Sunamganj, on 01 October, 2023. Three (3) renowned eye specialists from Sylhet provided eye treatment to the marginalized community. Necessary medicines were also provided at free of cost.



LUMPL's Comprehensive Medical Support

Mobile Clinic Outreach Since 2006

Initiated in 2006, LUMPL has been operating a mobile clinic, significantly aiding the residents of Nongtra, where the closest health center is 7 kilometers away. The company further provides assistance in the transportation of medical emergencies to Shillong, benefitting both Nongtra and Shella villages. 1877 beneficiaries availed the services from the clinic in 2023.



SUPPORT FOR SPORTS AND YOUTH DEVELOPMENT

LUMPL actively supports athletes in swimming and football from Shella and Nongtraï, promoting sports excellence in the community. Additionally, the company conducts annual youth programs focusing on environmental awareness, soft skills and cultural initiatives, contributing to holistic community development.

Our contribution to Special Purpose Vehicle (SPV)

The Special Purpose Vehicle (SPV) was set up in terms of the directions of the Ministry of Environment and Forests (MoEF), Government of India. Chief Secretary, Meghalaya is the chairman of SPV. The LUMPL has deposited a sum of Rs. 90/- per tonne of the limestone mined from the start of the commercial production. The amount deposited by the LUMPL to SPV is meant for

various welfare projects mandated upon the SPV including the development of health, education, irrigation and agriculture in the mining project area of 50 kms solely for the local community and welfare of Tribals. We contributed ~28 crore and ~26 crore Indian Rupees in 2022 and 2023 to the SPV fund respectively.

LafargeHolcim Bangladesh Limited

A company of  LafargeHolcim and  CEMENTOS MOLINS

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