

Community Investment Fund Plan

Lynwood Quarry

2020



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1 Introduction

Holcim (Australia) Pty Ltd (Holcim) is one of the leading suppliers of construction materials in Australia, operating over 60 quarries, 200 fixed concrete plants and a fleet of over 900 concrete delivery trucks. In excess of 3,000 people are currently employed by Holcim, which operates for a diverse range of customers and applications throughout Australia, including rail ballast, aggregates, gravels, road pavement materials, manufactured and natural sands and armour stone. These products are essential for building and maintaining Australia's modern communities.

Holcim's vision is to provide foundations for society's future. We aspire to be the world's most respected and attractive company in our industry, creating value for all stakeholders. We have a strong affiliation and connection with all of our communities and to date have been supporting the Marulan and surrounding communities through our Johnniefields quarry for many years. With the opening of our nearby Lynwood Quarry we want to increase this support and ensure we remain actively involved in contributing to the local communities in which we live and work.

Together with operating in an open and transparent manner, we can also achieve this through a community investment fund that helps assess and prioritise Holcim involvement and investment in the wider community over the long term. This fund would help channel decisions regarding in-kind and cash contributions through a consistent and transparent decision-making process. This document outlines how we will operate this community fund.

Holcim is dedicated to creating synergies across our community initiatives. The company has two established national partnerships in Australia with The Beacon Foundation and Birdlife Australia. Introducing these organisations into the local communities as part of building a strong community support framework will further enhance our work through the community fund.

In summary:

- A competitive funding program will be implemented to achieve both Holcim and the community's goals
- The fund will consist of up to \$50,000 in cash and in-kind support per annum
- The fund allocation will be decided by a steering team of both Holcim and community representatives

1.1 Overview of the Operations

Holcim has two hard rock quarries in the region

1. Johnniefields Quarry which commenced operations in 1981 and ceased operations in 2017; and
2. Lynwood Quarry which commenced operations in 2015

Johnniefields Quarry

Johnniefields Quarry is located approximately 3km north of Marulan on Brayton Road. The quarry produced a range of products including rail ballast, concrete aggregates, pre-coat aggregates, road base and dust for both local and regional markets. The quarry ceased operations in 2017, with all staff being transferred to Lynwood Quarry, supporting the new operating facility.

Lynwood Quarry

Lynwood Quarry is located approximately one kilometre west of Marulan and is accessed from the Hume Highway via a new flyover interchange funded by Holcim and built as part of the project, at Marulan South Road.

The quarry was granted development consent on 21 December 2005 and is part of Holcim's post-Penrith Lakes strategy for the Sydney market. Penrith Lakes was the principal Holcim aggregates supply source into central Sydney for the past 25 years and ceased operations in 2015

Lynwood Quarry is approved for a maximum 5 million tonnes per annum (Mtpa) by rail to a Regional Distribution Centre, , at Rooty Hill. Whilst primarily a rail operation, the approval also allows for 1.5Mtpa (of the 5Mtpa) to be transported by road, to supply local and regional customers.

2 Purpose and Scope

This Community Investment Plan (the Plan) has been prepared for Holcim's Lynwood Quarry to provide the framework for implementing the company's approach to social responsibility and community engagement, compliance with development consent conditions, and community contributions. . With the first five years being a success in supportive local initiatives within the community, Holcim will continue their annual commitment; with annual reviews The Plan also identifies communication mechanisms between the sites and the local and wider community.

The Plan has been developed in accordance with Holcim's approach to Sustainable Development, including its Corporate Social Responsibility (CSR) Policy.

Implementation of this Plan will assist Holcim to build and maintain its good relationship with the local community and other key stakeholders, have set parameters from which investment can occur and ensure any investment is strategic and effective at achieving the desired outcomes.

Holcim supports each employee to undertake one paid days' work volunteering in their communities each year. This program will also contribute to this plan as in-kind support to community-based projects.

3 CSR Principals

For Holcim, acting in a socially responsible manner is more than a collection of discrete practices and occasional gestures, or initiatives motivated by marketing or public relations. Holcim views its Corporate Social Responsibility (CSR) as a comprehensive set of practices and programs that are integrated into business operations and decision-making processes.

Decision making processes are supported by the following process:

1. Needs assessment
2. Stakeholder engagement
3. Collaborative planning and management

We aim to contribute to effectively improving the quality of life of the members of our workforce, their families, and the communities around our operations.

CSR Focus Areas

Three key focus areas have been identified by Holcim

1. Providing education for society's future
2. Supporting sustainable community development
3. Building infrastructure for liveable communities

We assess local needs, promote community involvement and partner with local stakeholders around our operations to improve educational, cultural and social development. We encourage and support our employees' engagement in volunteering and local community work.

4 Fundamental considerations for establishing a community investment fund

Stage	Consideration	Section addressed
1.1	Develop desired outcomes from investment	3.1
1.2	Decide on the scope of the investment	3.2
2.1	Ensure a confirmed minimum investment	3.3
3.1	Identify a steering/assessment committee	3.4
3.2	Detail the roles and responsibilities of parties within the steering committee	3.4
3.3	Criteria for applicants to develop submissions against	Appendix 1
3.4	Committee to decide on weighted assessment matrix to assist in decision making to achieve outcomes	3.5
3.5	Committee to develop an investment timeline strategy	3.6 and Appendix 1
4.1	Design application form	Appendix 1
4.2	Design communications and promotions strategy	3.10
5.1	Advertise for applications	3.9
5.2	Committee score applications	3.9
5.3	Devolve funding	3.7 and 3.9
6.1	Review reports, media and assess success of projects and matrix criteria	3.9

4.1 Desired outcomes:

The Fund aims to provide clear and demonstrable contributions to the local community. To achieve this, the following outcomes have been identified to guide all investment initiatives and decision making processes.

Outcome 1: Build, increase and maintain a lasting and meaningful relationship with the community.

Outcome 2: Improve the quality of life of our local community through building capacity and resilience.

Outcome 3: Contribute to the sustainability of social, environmental and/or economic diversity, expansion or resilience.

Outcome 4: Ensure the allocated funds reach the maximum amount of community members as possible.

Outcome 5: Build upon and maintain the Holcim brand with preference for investment aligned with education, infrastructure, and community development.

4.2 Scope of fund

Currently Holcim receives numerous requests from the community to provide contributions to their activities, schools or community groups. Once established, all requests will be processed through the fund approval process, which will ensure a consistent assessment and transparent communication process.

The community investment fund has a weighted criterion to ensure each investment is strategic and meets Holcim and the community's desired outcomes. This process will prioritise all community investment decisions to ensure the funding is allocated to the project providing the greatest benefits for the community.

4.3 Secure contributions

Each year Holcim Australia will outline the total dedicated funds and in-kind contributions available.

Monetary Contributions

The annual contribution pool will be \$50,000, with limit of \$10,000 per approved application (\$10,000 of monetary value and/or in-kind) and should be no less than \$2,000.

4.4 Steering Committee:

A steering committee will support transparency within the decision making processes. The size of the group should be reflective of the investment. For example, a \$50,000 monetary and co contribution fund requires no more than five members and a chairperson. The group will include the following:

- Independent Chairperson
- Community Representative
- Holcim Sydney Operations Manager or delegate
- Holcim Quarry Manager or Support Services Supervisor
- Goulburn Mulwaree Council Representative

Roles and responsibilities

All members of the committee will be required to assess each application against the criteria provided and attend meetings to discuss the approved projects. Each member will be chosen to provide information regarding their field of expertise to assist other members in making their decisions. In addition to this, the following additional responsibilities are inherent:

- Independent Chairperson: will have the deciding vote should there be a deadlock; will decide if the members of the group need to be reviewed; will approve any exceptions to the eligibility criteria on recommendation from the steering committee.
- Sydney Operations Manager or delegate: will authorise all payment or contributions; will decide on the funding structure on review; will be the primary contact for the media.
- Quarry Manager or Support Services Supervisor: will be the secretary for the group; will project manage all approved projects to completion; will be the primary contact for the community; will be primarily responsible for the promotions of the fund and the associated projects.
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4.5 Weighted Matrix

A simple weighted matrix will be used to assist in the decision making process. Each committee member will be provided with the matrix in a Microsoft Excel format.

Weighted Matrix						
Criteria #	Outcome #	Weight	Application 1	Weighted	Application 2	Weighted
CR1	O1	N/A				
CR2	O2	0.6				
CR3	O3	0.8				
CR4	O4	0				
CR5	O4	0				
CR6	O5	0.6				
Total						

The above weighted matrix is a draft only. The committee must discuss, review and endorse the matrix and the associated weightings.

4.6 Investment timing strategy

An assessment round of proposed community projects will be undertaken every 6 months to ensure timely responses and multiple opportunities for ongoing submissions. If a project application is submitted in between rounds with a requirement for a contribution prior to the next meeting, the Environment and Community Liaison will review the application and send the project out with a criteria for a desktop assessment from the committee members. The Environment and Community Liaison will communicate with the applicant to ensure compliance with the timing of future rounds.

4.7 Contracts and payments

A contract template will be required, including:

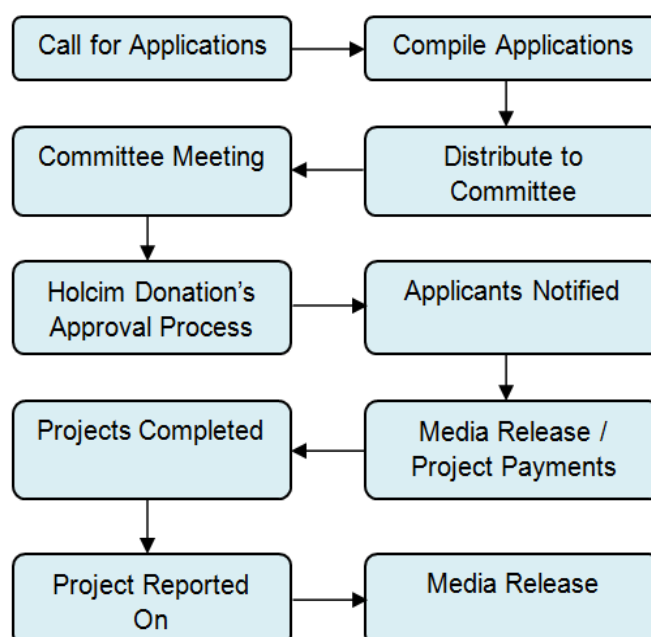
- Electronic submission of a report with photos
- Media release developed with Holcim's communications department.
- Financial statement of expenditure

4.8 Surplus funds

If 100 percent of funds are not allocated during the year, they may be rolled over to the next financial year. If required, a review of the criteria and a recommendation of investment will be provided to the Operations Manager for approval.

4.9 Process map

Below is the proposed process map for the fund. The first cycle will commence once the steering committee is formed and all outstanding items are finalised, such as the assessment criteria and weighted matrix.



4.10 Communications

Community consultative committee

Lynwood Quarry has an engaged community consultation committee (CCC) that meets twice yearly. The CCC representative/s on the Community Investment Fund Steering Committee will communicate with the CCC during and prior to notification of successful applications each round to ensure the CCC is informed of applications, the process, and steering committee's decisions.

Promotions and proactive communications

Effective communications is essential to ensure the fund is a recognised contributor to the local community and is actively accessed. The following are fundamental to ensure the greatest outcomes are achieved through proactive communications

- Branding will be consistent with Holcim brand guidelines.
- A section of the Lynwood community website will be dedicated to the fund and promoting its achievements.
- Funding rounds will be proactively advertised four weeks prior to applications due date.
- All projects will provide high resolution photos with final reports.
- All medium to high level investment projects will be required to produce a Holcim reviewed media release. The communications department will Manage the media. For large investments, the EGM or CEO of Holcim Australia may also be involved. All potential media events will be attended by the General or Operations Manager and must be approved by the communications department.
- Each round of approvals will be accompanied by a media release.
- All enquiries regarding funding related to supporting community initiatives will be directed to the Quarry Manager or Support Services Supervisor.
- All project applications should receive feedback within three weeks of the closing date each round.

5 Review Process

This Community Plan will be reviewed annually and will also be reviewed following any major changes to proposed or existing operations.