**Reply to research report**

We appreciate the opportunity to respond to the research report alleging Holcim of sponsoring military propaganda and vocational training programmes in rehabilitation camps in Sri Lanka.

Holcim Lanka has a long history of operation in Sri Lanka and the focus of our CSR engagement has always been to improve the quality of life of our immediate communities, while a few initiatives were implemented – always in collaboration with local partners – at the national level. Our operations are situated in all parts of the country, i.e. in Puttalam (integrated cement plant), Aruwakkalu (quarry) and Galle (grinding terminal). All CSR activities are based on community needs and are planned and executed in close collaboration with our stakeholders that represent all parts of Sri Lankan society. We take issues of Sri Lanka as a post-conflict country into serious consideration, in particular in the contexts voiced by community members. In addition, as in any post-conflict situation, shelter and education for livelihood creation are probably among the most pressing issues and the focus of the majority of our community development projects.

As part of our CSR engagement, we decided after the end of the conflict, taking into consideration the situation and needs of the country, to participate in the training of people in rehabilitation camps in the Northern and Eastern parts of the country and we estimate that in this context about 2000 people were trained as masons. The objective of the technical training that Holcim Lanka provided in the context of the rehabilitation camps was to enable IDPs to earn a livelihood in the future. At that time, the only possibility to reach war victims and IDPs was in the context of these camps as they were living in these accommodations only. Subsequently, it is important to mention that we never supported rehabilitation camps as such but focused on the people within these camps. We deemed this initiative to be useful also since it was implemented in close collaboration with the GIZ (German government) and NAITA and education and training was identified as a priority by various stakeholders.

Additionally, we were approached by the Sri Lankan army authority to contribute cement for immediate rehabilitation activities in the areas of housing and infrastructure. Since, according to our understanding, the army was at the forefront of the post-conflict rehabilitation efforts and ensured implementation, we channeled any support through them. The fact, that the army used Holcim cement to erect war memorials was completely unknown to us and under no circumstances would have been approved by us, had we known. In the meantime, all signs mentioning Holcim were removed and a rigorous approval and monitoring process was implemented.

Since the conclusion of the mason training program, we are specifically targeting the Tamil community and launched a shelter project in 2014 in collaboration with UN Habitat, aiming at training people of the Tamil ethnicity to self-construct their houses and providing them with cement. Also targeting the Tamil community, we donated tool kits for 40 engineering undergraduates at the University of Jaffna and provided cement for women’s livelihood projects in Kilinochchi.

We are confident that the concerns raised in in the research report of the GfbV can be clarified in a constructive dialogue planned for early July and remain at your disposal for further information and dialogue.