

Building Materials Sector

2018 Report – Key Findings



62 companies in the sector

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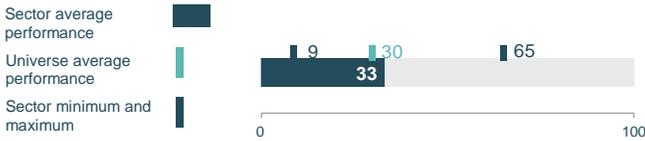
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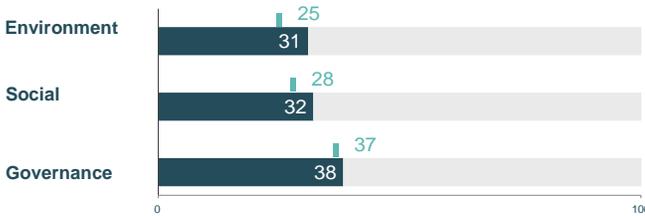
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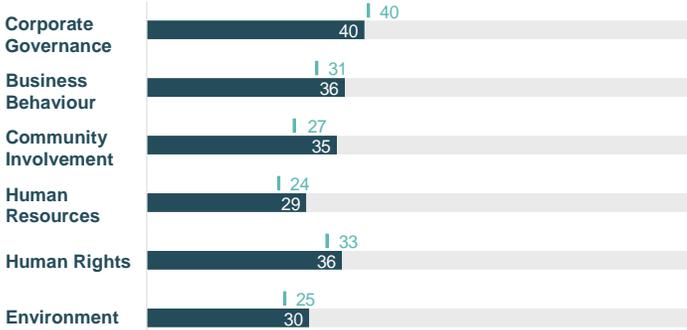
Key Findings 2018 – Building Materials sector



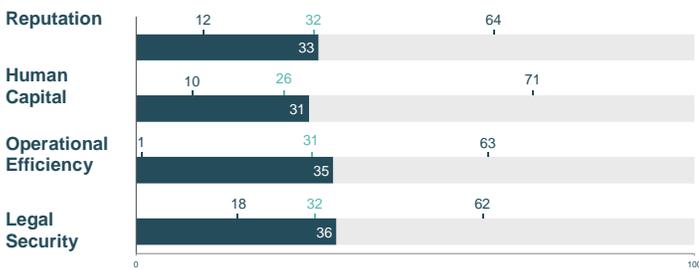
ESG PERFORMANCES – Sector & Universe



DOMAIN PERFORMANCES – Sector & Universe



RISK MITIGATION – Sector & Universe



TAKEAWAYS

- ▶ Building Material companies do not adequately address the emerging risk of human rights violation brought by market consolidation.
- ▶ Anti-competitive practices account for the highest number of controversies, yet the Building Materials sector shows a limited capacity in addressing this issue.
- ▶ Although most companies show commitment to improving health and safety conditions, work accidents and fatalities are still widely present across the regions.
- ▶ Although the Building Materials sector' performance is pulled by its top performers, most companies still do not appear to acknowledge the impact they have on local ecosystems.
- ▶ Most of Building Materials companies do not seem to shift towards the development of innovative environment-friendly products.
- ▶ Building Materials companies continue to display insufficient efforts to address social and environmental impacts on local communities in which they operate.

TOP PERFORMERS

- Europe: CRH (65/100)
- North America: Owens Corning (51/100)
- Asia Pacific: Asahi Glass (50/100)
- Emerging Markets: CEMEX (52/100)

MOST IMPROVED since 2017

- Europe: CRH (+7)
- North America: No progress
- Asia Pacific: No progress
- Emerging Markets: KCC; Asia Cement Corp (+8)

MOST MATERIAL DRIVERS

ADVANCED (60-100)	
ROBUST (50-59)	
LIMITED (30-49)	<ul style="list-style-type: none"> • Environmental strategy • Corruption • Product safety • Health and safety • Board of Directors • Energy • Biodiversity • Social and economic development • Anti-competitive practices
WEAK (0-29)	<ul style="list-style-type: none"> • Use and disposal of products • Local pollution • Reorganisation • Atmospheric emissions • Transportation

CARBON FOOTPRINT

Share of companies in each level of carbon footprint



ENERGY TRANSITION

Share of companies in each level of energy transition performance



SUSTAINABLE GOODS & SERVICES

Share of companies in each level of involvement in goods and services contributing to sustainable development



CONTROVERSIES RISK MITIGATION

Share of companies in each performance level in terms of controversy risk management



About this document

This document is an extract of the Vigeo Eiris 2018 Report on the Building Materials sector.

The full report contains:

- More detailed information on performances and impacts highlighted here (data for each zone, historical evolution on 3 years of global performance and on each criterion, top performers on each domain, etc.)
- Detailed description of each takeaway on risks and opportunities
- The overview of methodological framework applied to the sector (weights of criteria, nature of stakeholders' expectations and their vulnerability on each topic).
- Detailed description of the methodology of all Vigeo Eiris research lines.

If you are interested in knowing more, please contact our customer services team at: global-sales@vigeo-eiris.com.

About Vigeo Eiris

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- ▶ For investors: decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- ▶ For companies & organisations: supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more)

Vigeo Eiris methodology and rating services adhere to the highest quality standards. With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 6 exclusive research partners, is present in Australia, Brazil, Germany, Israel, Japan and Spain. For more information: www.vigeo-eiris.com

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