

FINANCIAL AND SUSTAINABILITY REPORT



2017

Mexichem[®]

COMMUNITY



CHAPTER

7

We are firmly committed to creating value in the communities where we are present. We aim to advance well-being, economic opportunities and capacities in line with the UN Sustainable Development Goals (SDGs), our strategic priorities and corporate values.



* All beneficiary figures in this report correspond to direct beneficiaries

COMMUNITY RELATIONSHIPS

GRI 103-1
GRI 103-2
GRI 103-3

We seek to be a good neighbor and to effectively manage the risks and impacts that arise from our corporate activities. We have [Corporate Guidelines for Community Relations and Social Investment Projects](#) in which we establish general guidelines, responsibilities and criteria for interventions.

COMPLAINTS AND SUGGESTIONS

In 2017, we developed a [Guide](#) for complaints and suggestions in neighboring communities, through which we seek to address grievances in a timely manner, manage community relationships, enhance innovation and build trust.

SOCIAL INVESTMENT

GRI 103-1
GRI 103-2
GRI 103-3
GRI 203-1
GRI 413-1

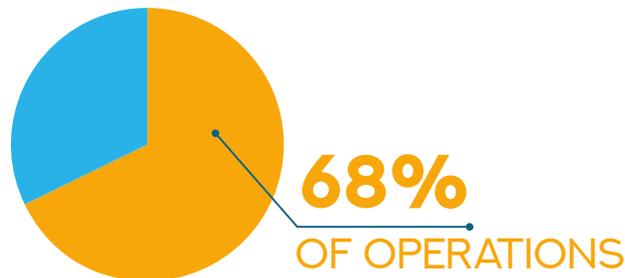
As part of our commitment to the community, we invest in and assign economic resources to projects that create social, environmental and economic value for neighboring communities.

IN 2017, TOTAL INVESTMENT WAS **\$1,690,618** BENEFITING
342,212 PEOPLE*, WITH **12,380 VOLUNTEER ACTIONS**



IN 2017
83 MEXICHEM SITES
IN 31 OF 37 COUNTRIES

(representing **68% OF OUR OPERATIONS**) participated in social responsibility programs, projects and activities.



Mexichem participated in the Kaluz Foundation Award (2015-16) through 31 social intervention projects. A total of 30 projects obtained financing worth \$174,000 and are currently being implemented.

* Beneficiary figures correspond to direct beneficiaries

“**INNOVATIVE PEOPLE
WITH SOCIAL IMPACT**”

CEIBO RENACER PROJECT – MANTA, ECUADOR

After the April 16, 2016 earthquake in Ecuador, Mexichem organized a worldwide fundraising drive among employees, who together collected more than \$30,000 to be used for aid efforts. Both Mexichem and the Kaluz Foundation matched that number, making for a total of more than \$90,000, which was administered by Mexichem in Ecuador.

The donation supported the implementation of a project in 2017 to install drinking water and sewerage services for 305 families in the city of Manta. Mexichem engineers also drew up plans and helped install the fresh water, drainage and sewerage systems all free of charge. More than 1,000 people benefited from this initiative, the majority of whom had been displaced by the disaster. Mexichem systems used were of high quality and have a useful life of more than 50 years. This project was implemented in partnership with CARE Foundation and Empresa Pública Aguas de Manta (EPAM).



\$30,300 COLLECTED FROM 2,322 DONORS
TOTAL: \$90,900 THANKS TO CONTRIBUTIONS FROM MEXICHEM AND KALUZ FOUNDATION.



[WATCH VIDEO](#)

WATER FUNDS

Water Funds are financial, governance and management mechanisms that integrate relevant players in a basin to promote the hydrological security of the region through preservation actions that maximize filtration, reduce sediments and other contaminants and help improve the quality of the water supply.

This initiative is led by The Nature Conservancy (TNC) and is focused on Latin America. Our operations in Mexico, Peru, Ecuador and Colombia participate in this initiative.

TOTAL INVESTMENT OF
\$166,143



AGUA CAPITAL - MEXICO CITY WATER FUND

Mexichem is a founding partner of “Agua Capital”, the Water Fund for Mexico City, a collective cooperation platform to strengthen hydrological security with an emphasis on green infrastructure. The platform seeks to convene national and international players from all sectors, to dialogue and collaborate around innovative approaches for water security.

The organization has identified five main challenges for hydrological security and a strategic plan to address them: overexploitation and subsidence, operational and administrative inefficiencies, floods, insufficient supply and sanitation networks and residual waters.

LOCAL ECONOMIC DEVELOPMENT

GRI 103-1
GRI 103-2
GRI 103-3

We aim to leverage our company's growth to spark economic opportunities and advance local economic development.

PROJECT MULATA

In order to strengthen the production capacities of vulnerable populations, we developed the Mulata project in our operations in Cauca, Colombia with the support of the ANDI (National Business Association of Colombia).

Mulata is a group of women, the majority of whom are afro-descendants and single mothers, who make uniforms for the different plants located in Guachene. 15 women work in this initiative, benefiting approximately 60 people, including their families. The operation has expanded and strengthened its production capacity, allowing them to compete in the textile sector and get hired by a greater number of companies. In 2017, Mexichem acquired 5,792 units from this project for an amount of \$55,113, an increase of 22% compared to the prior year.



MULATA PROJECT
CAUCA, COLOMBIA
15 WOMEN WORK IN THE PROJECT,
THE MAJORITY OF WHOM ARE AFRO-
DESCENDANTS AND **SINGLE MOTHERS.**



[WATCH VIDEO](#)

