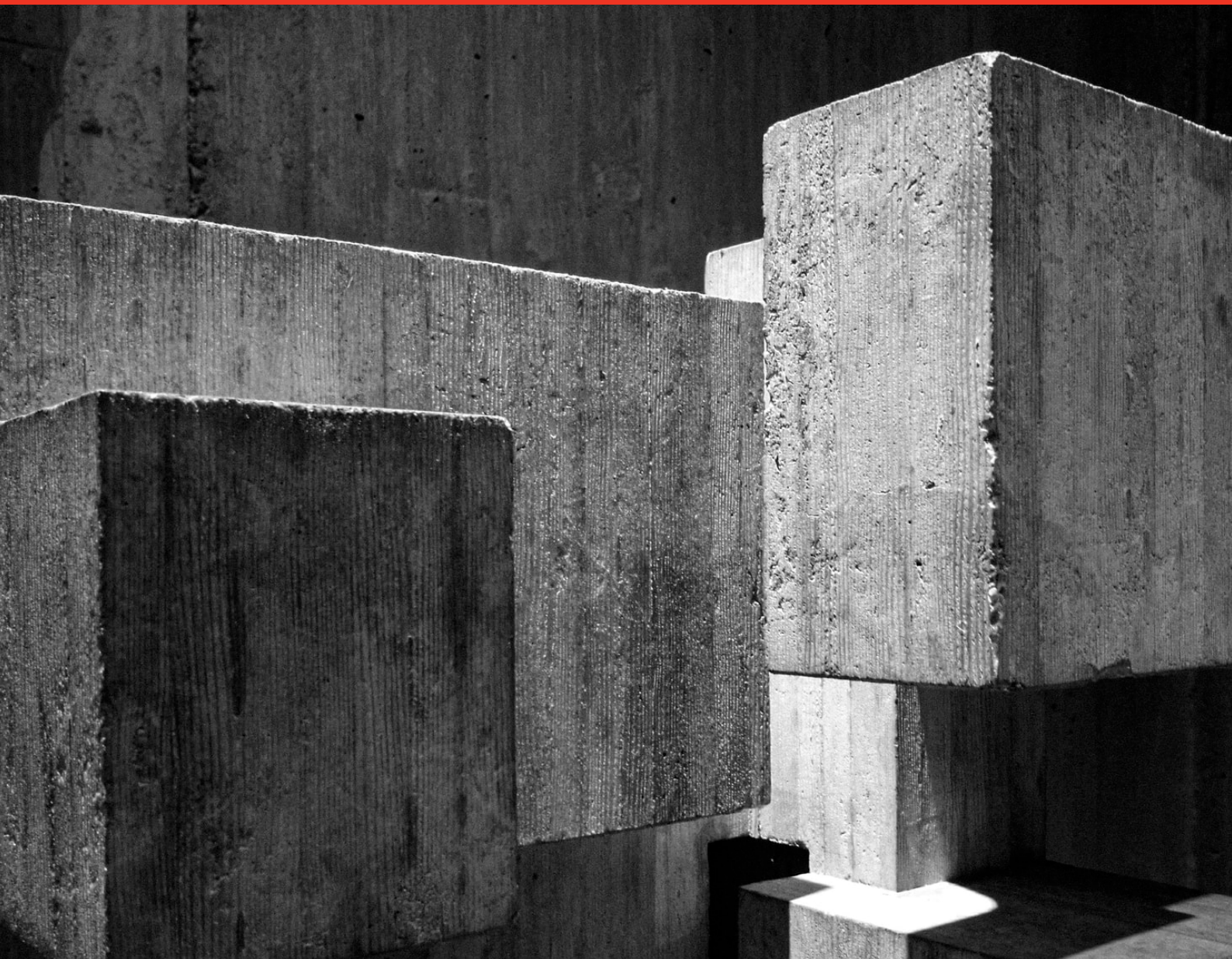


Modern Slavery Statement

Published May 2021



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About this Statement

This statement is prepared in accordance with the Australian Modern Slavery Act 2018 (Cth) and sets out the approach of Holcim (Australia) Pty Ltd and its holding companies, Holcim (Australia) Holdings Pty Ltd and Holcim Participations (Australia) Pty Ltd (together referred to as Holcim), to identify and address modern slavery risks in its operations and supply chain for the financial year ending 31 December 2020.

In accordance with section 14 of the Modern Slavery Act 2018 (Cth), this is a joint statement covering Holcim (Australia) Pty Ltd (ABN 87 099 732 297) and its holding companies Holcim (Australia) Holdings Pty Ltd (ACN 003 433 118) and Holcim Participations (Australia) Pty Ltd (ACN 122 401 405).

Holcim's registered office is Tower B, Level 7, 799 Pacific Highway, Chatswood, New South Wales, 2067.

Introduction



In a world where modern slavery still exists, we must continue to work diligently and with genuine intentions to ensure the human rights of all employees are upheld, whether they be in Holcim or in Holcim's supply chain. We want all people to enjoy a free and equal life no matter where they live and what role they play.

Holcim supports responsible sourcing and works to ensure safe and sustainable work practices for all those involved in its operations and supply chain. Through an ongoing review of human rights risks as well as Holcim's policy frameworks and processes, Holcim is continually engaging with its teams to make sure the organisation is addressing issues related to human rights, modern slavery and environmental sustainability.

Holcim supports Australia's Modern Slavery Act 2018 (Cth). The organisation is working to better understand the risks within its business and supply chain, addressing them through engagement with employees, suppliers and other stakeholders.

George Agriogiannis
CEO Holcim Australia and New Zealand

About Modern Slavery

The term modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom.

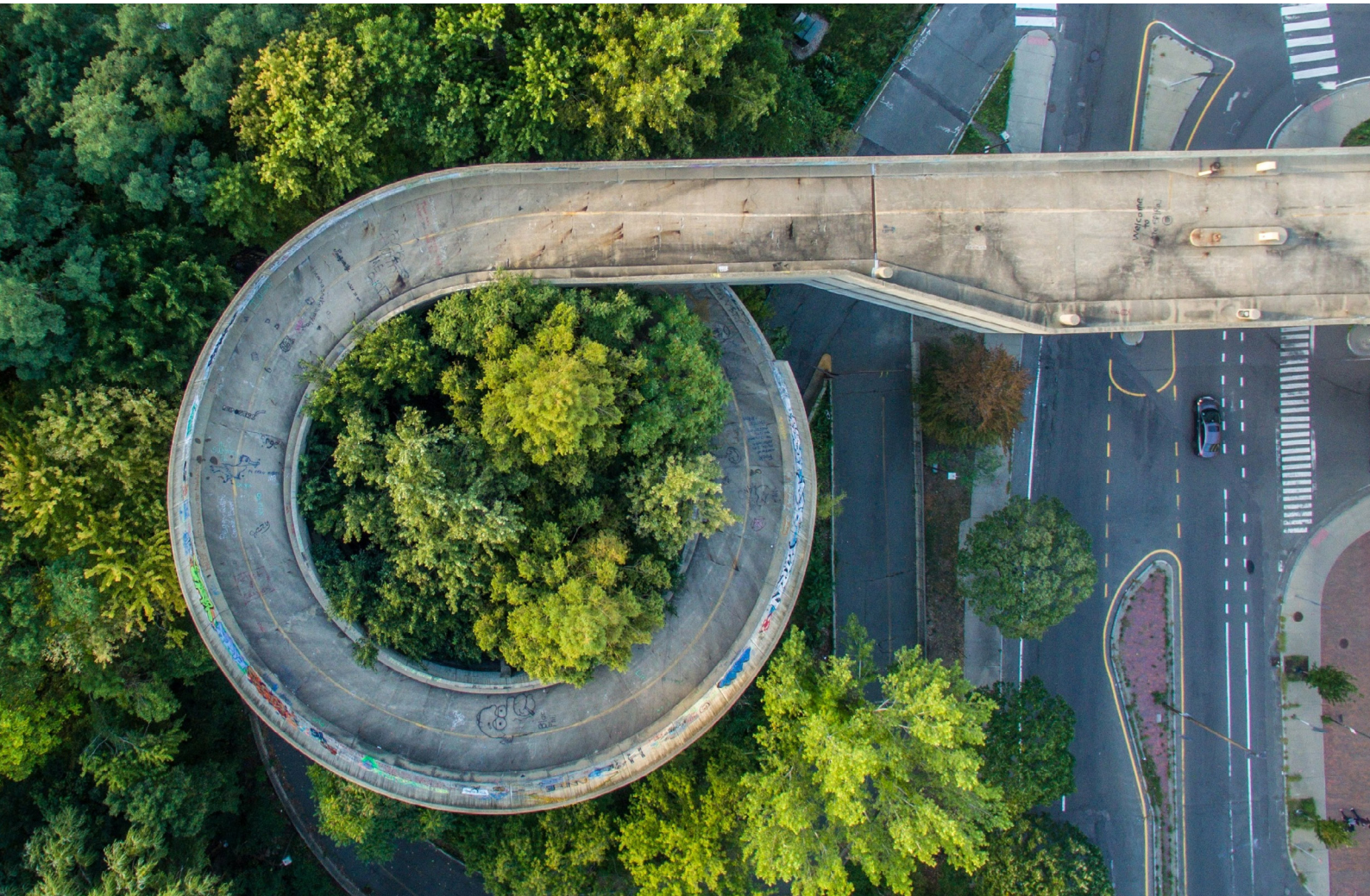
The Modern Slavery Act 2018 (Cth) defines modern slavery as including eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour. The worst forms of child labour refers to situations where children are subjected to slavery or similar practices, used in illegal activity or engaged in work that is harmful to their health, safety, physical or mental development.

It is a confronting reality that even in the present day, men, women and children all over the world remain victims of modern slavery. According to the Global Slavery Index there are an estimated 40 million people trapped in modern slavery worldwide, including 23 million in supply chains around the globe.

UN Sustainable Development Goals

Holcim plays an active part in contributing to Holcim Ltd's commitment to sustainable development, people and community which is a key part of the company's business and sustainability strategy.

Our commitments to understanding and addressing modern slavery risks within our business and supply chain relate to 'Target 8' of the UN Sustainable Development Goals which is the promotion of decent work and economic growth, and directly to 'Target 8.7'. The latter aims to: "Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking (by 2030) and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms."



About Holcim

Holcim is an integrated supplier and manufacturer of building materials and solutions which has been operating in Australia for over 100 years.

Today, from more than 200 quarries, premix concrete plants and precast concrete facilities, Holcim provides materials and solutions including concrete, aggregates, road pavement materials, manufactured and natural sand and precast concrete pipes and products.

Holcim partners with customers on projects that range from the small and local, to the biggest, most technically challenging infrastructure endeavors to build the homes, towns and cities in which we live and work.

Part of the LafargeHolcim Group

Holcim is 100% owned by Holcim Ltd. Headquartered in Switzerland, Holcim Ltd is the world's largest construction materials producer operating in over 70 countries and employing 72,000 people globally.

Holcim Ltd is a global leader in building solutions that is reinventing how the world builds to shape a world that is greener, smarter and that works for all.

The Holcim Ltd approach to human rights due diligence is fully aligned with the UN Guiding Principles on Business and Human Rights. It includes a firm commitment, due diligence, remediation and strong engagement of stakeholders at local, national and global levels.

As a signatory of the UN Global Compact since 2003, Holcim Ltd is fully committed to respecting human rights. In February 2020, CEO Jan Jenisch signed the Call to Action for Business Leadership on Human Rights by the World Business Council for Sustainable Development, joining 40 other world leaders in sending a clear message on the need to elevate companies' ambitions concerning human rights.

Entities related to Holcim in Australia

Holcim Ltd operates in Australia directly through Holcim (Australia) Pty Ltd as well as through its controlled wholly owned entities Broadway & Frame Premix Concrete Pty Ltd, Excel Concrete (NSW) Pty Ltd and Excel Concrete Pty Ltd. As these entities operate in accordance with Holcim's standards, process and controls, no separate consultation was required in relation to those entities when preparing this Statement.

Holcim also has non-controlling interests in a number of other entities or partnerships including Cement Australia, M&H Quarries Partnership (You Yangs Quarry), Heatherton Sands Partnership (Grantville Quarry) and Metromix Pty Ltd which are not reported on in this statement.

Holcim's operations throughout Australia

Holcim operates across the Australian continent supplying quality products for a diverse range of customers and applications from concrete for residential homes, to pavement materials and concrete pipes for road construction, to on-site concrete batching for large mining and infrastructure projects. Our products are supplied from a network of more than 150 concrete plants, 900 mixer trucks and mobile and on site facilities; precast concrete from 9 precast concrete manufacturing facilities and more than 55 quarry operations.

Premixed concrete formed from a mix of cement, aggregates, additives and water, are delivered in specially designed mixer trucks. Holcim offers an extensive array of premix products designed to achieve specific properties based on their application, transport and construction requirements including mobile and on-site batching to service major projects.

The quarry products available from Holcim's operations include rail ballast, aggregates, gravels, road pavement materials, manufactured and natural sands, products essential to building and maintaining our modern communities.

Precast concrete pipes and products such as concrete culverts, sleepers and stormwater pits, are supplied from our 9 manufacturing facilities across the country and are integral in the construction of roads, bridges, railways and other infrastructure to support our towns and cities.

About our supply chain

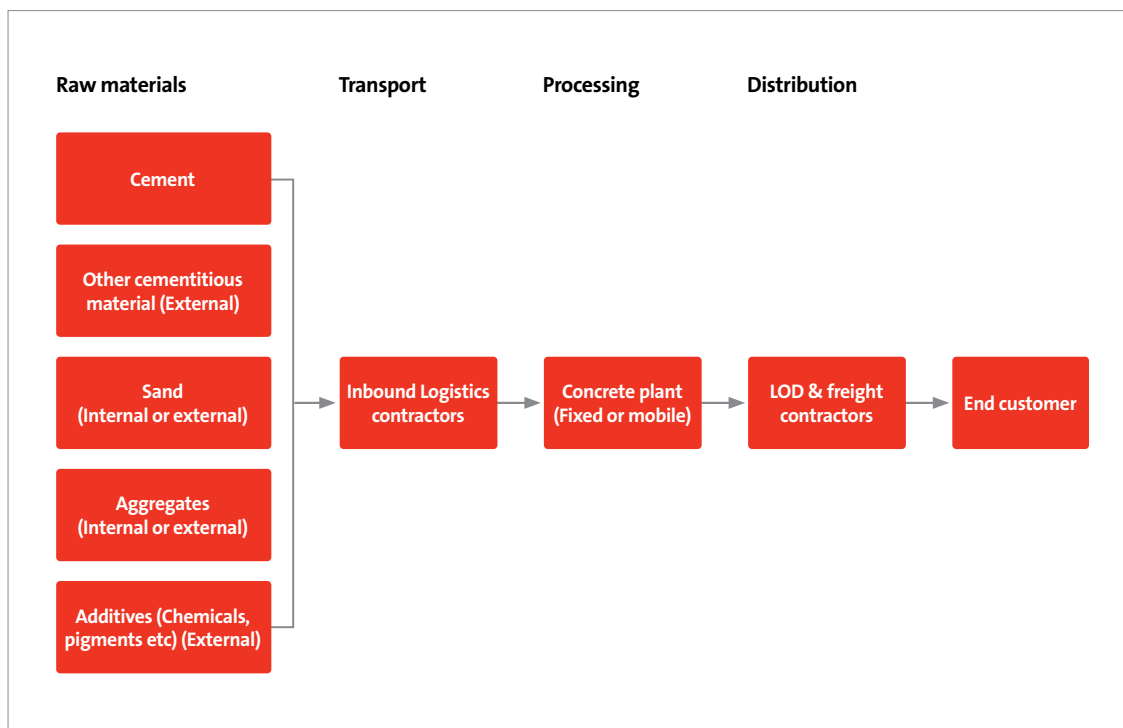
Holcim has over 5,000 registered vendors located across 17 countries, with 99% of purchases being made from companies registered in Australia.

Holcim engages with around 15 labour hire suppliers. 94% of the labour hire spend is for the workforce in Holcim’s operations through two providers, the rest is for offices and administration.

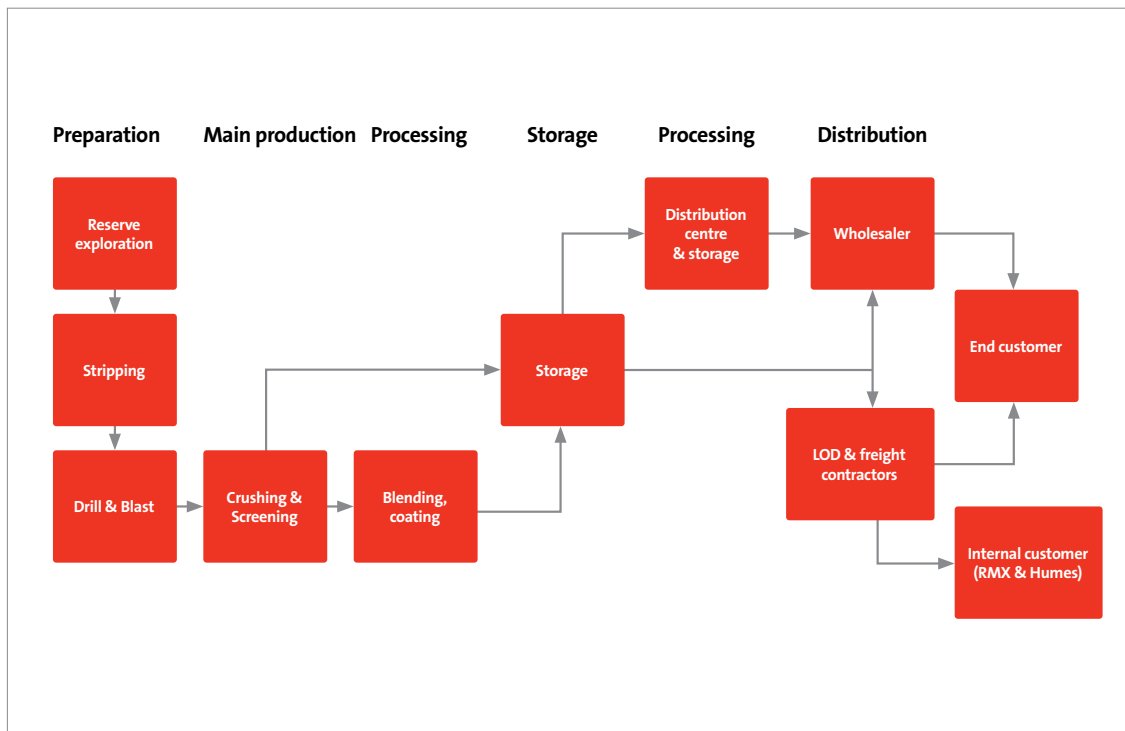
Holcim manages supplier tendering, onboarding and relationships through a centre led procurement function with a Head of Procurement and Category Managers.

Supplier category	Spend %
Logistics Services	25%
Raw Materials	22%
Cement	18%
Production Services	8%
Mining	8%
Facility Services	8%
General Services	3%
Corporate Services	3%
Packaging and Diesel	2%
Equipment and Consumables	2%
Energy	1%

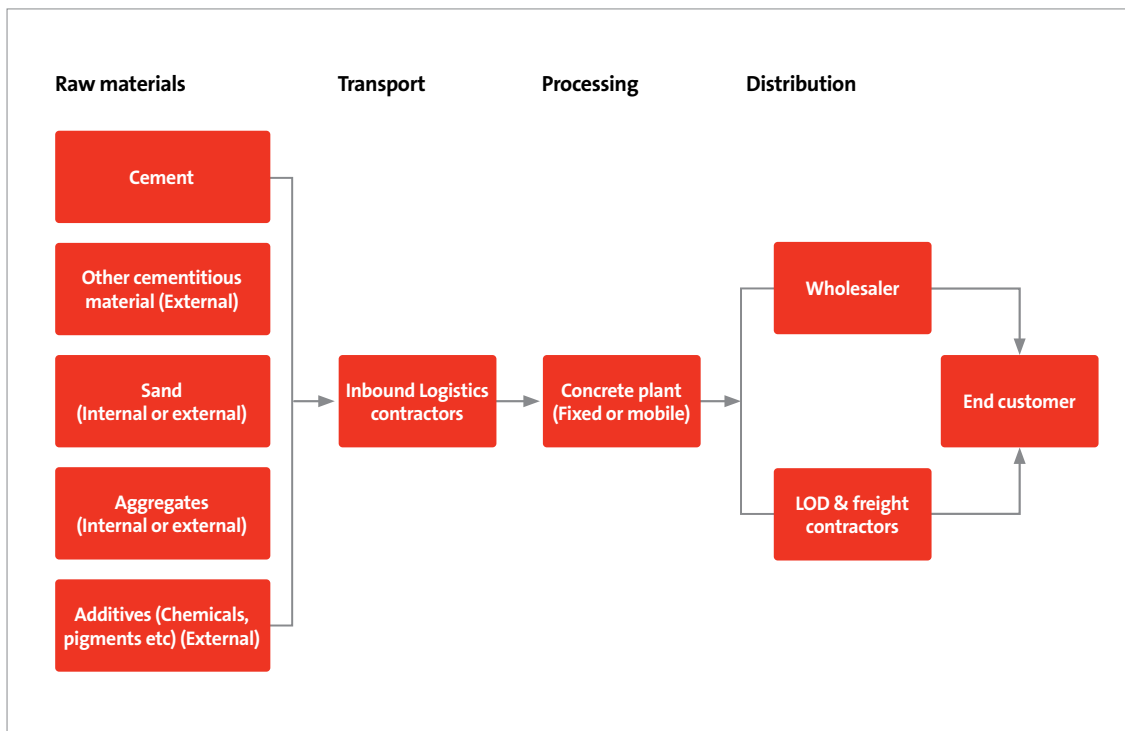
Precast Concrete supply chain



Aggregates supply chain



Ready-mix concrete supply chain



Understanding the risks in Holcim's business and supply chain

Through the Human Rights Management Approach and Policy Framework outlined in this Statement, Holcim aims to understand and address the potential to cause, contribute to, or be directly linked to modern slavery through its operations or supply chains.

By applying our Risk Assessment Process Holcim has identified areas of procurement that are considered higher risk for human rights and labour.

These are:

- mining, mining subcontracting;
- production services, engineering services;
- production of mining equipment; and
- facility services, including cleaning and production of personal protective equipment and uniforms.



Human Rights Due Diligence

Holcim's parent company, Holcim Ltd, is committed to respecting international human rights standards, including the principles contained within the Universal Declaration of Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the International Labour Organisations (ILO) Core Conventions on Labour Standards. Additionally, Holcim Ltd is a signatory of the United Nations (UN) Global Compact.

Holcim Ltd proactively manages human rights through its Human Rights Management Approach, supported by an internal Human Rights Directive which outlines the mandatory requirements for all Holcim Ltd country operations. The group-wide human rights management approach is risk based and fully aligned with the UN Guiding Principles on Business and Human Rights.

The first step of this approach is that each country of operation is categorised according to the human rights risks prevalent in their operating environments using the UN Human Development Index (HDI) and the Freedom House (FH) Index as reference points.

Operating in a country categorised as low risk, Holcim is required to conduct a Human Rights Risk self-assessment.

The key part of the self-assessment is a half-day risk mapping and prioritisation workshop where the full local Executive Committee participates. Led by the sustainability specialist, Executive Committee members discuss and determine the materiality of 14 human rights indicators depending on the likelihood of a negative impact and the potential consequences for Holcim. Where issues are already managed well, with policies and procedures in place to prevent potential negative impacts, the prioritisation of the risk will be lower. After the risk-mapping and prioritisation exercise, the local Executive Committee, together with the sustainability specialist, develop an action plan to address the identified high and medium human rights risks.

This workshop was conducted with the Holcim Executive Committee team in December 2020 led by the National Development and Sustainability Manager.

This Human Rights Assessment covers at least the following 14 human rights indicators that are based on international standards and relate to Holcim's employment practices and community impacts.

- Child labour;
- Forced labour;
- Freedom of Association;
- Non-discrimination;
- Working conditions;
- Minimum wage;
- Health and Safety;
- Contract Workers;
- Community impact (e.g. on the environment, health, livelihood, etc.);
- Land management;
- Security guards;
- Bribery and corruption;
- Support of armed actors; and
- Grievance mechanisms.

Holcim Ltd's Human Rights Management Approach is complemented by a global "Integrity Line", a whistle-blowing mechanism enabling employees, suppliers and others to report any integrity-related concerns in 38 languages. It is a safe, confidential way to report possible Code of Business Conduct violations or raise compliance-related questions.

Holcim Ltd Policy Framework

Through a comprehensive set of policies and processes, Holcim delivers and reports on commitments and standards to uphold human rights plus ensure fair working conditions in its operations and supply chains.

Related policies include the following:

Corporate Citizenship Policy

This policy outlines the Group and Country level commitment to act as a responsible partner with all its stakeholders. To improve the quality of life of the members of its workforce, their families and the communities related to site operations. It extends to conducting business consistent with sustainable development principles in its own operations, extending to suppliers and customers.

Human Rights Directive

The objective of the Human Rights Directive is to ensure systematic identification, prevention and mitigation of human rights risks (referring mainly to the areas of employment practices and community impacts of Holcim's practices and those of its contractors and suppliers) throughout the Holcim Ltd Group. This methodology also supports countries in identifying opportunities related to the operations, to set priorities and to plan effective follow-up actions.

Supplier Code of Conduct

Holcim seeks to promote high standards in sustainability across its entire value chain and ensure reliability of its strategic sourcing.

Sustainable development is integrated into Holcim's procurement strategy, its day-to-day operations and relationships with suppliers. All Holcim Ltd Group companies are required to identify, prevent and manage risks pertaining to Health and Safety, Social Responsibility and Environment in their supply chain.

The Supplier Code of Conduct is provided to all suppliers as part of the tendering and onboarding process and suppliers must acknowledge and adhere to the requirements of this Code.

Sustainable Procurement Directive

The sustainable procurement approach at Holcim aims to create shared value for society while managing supply chain risks impacting company reputation and supply disruption.

The contribution for creating shared value for society is driven by:

- Ensuring consistent application of environmental, social and health and safety standards across the supplier base;
- Creating a healthy and safe environment for contractors;
- Assuring a transparent, compliant and fair business relationship with suppliers that enhances local economy and wealth for all parties; and
- Aligning with United Nation Global Compact Principles and OECD Guidelines.

Holcim Ltd Policy Framework

Suppliers Sustainability Management Standard

Holcim expects suppliers to meet the social, environmental and health and safety standards established in its Supplier Code of Conduct. Holcim aims to address risks in these areas which in turn can cause supply disruption and impact reputation. The organisation also aims to capitalise on opportunities for creating shared value for society.

The Suppliers Sustainability Management standard contains a process for identifying and qualifying supplier risk for new as well as existing suppliers.

Suppliers must meet minimum standards when assessed on the following pillars:

Human rights and Labor requirements are related to:

- Fair working conditions;
- Freedom of association;
- No Forced Labour;
- No Child Labour; and
- No discrimination.

Health and Safety requirements are related to:

- Health and Safety performance of suppliers and their employees and contractors; and
- Management of Health and Safety risks.

Environment requirements are related to:

- Environmental regulatory compliance; and
- Management of Environmental impacts.

Anti-Bribery and Corruption requirements are related to:

- Compliance with local and international anti-corruption laws and good business practices; and
- Risk-based management practices to prevent bribery and corruption in the supply chain.



Managing risks in Holcim's supply chain

Step 1

Communicate the Sustainable Procurement Policy to Holcim-relevant employees.

This policy forms a key part of the on-boarding of relevant employees and provides the foundation for the on-going processes and reporting related to Holcim's sustainable sourcing program.

Step 2

Communicate the Supplier Code of Conduct to all current and potential new suppliers conducting business with Holcim.

The Supplier Code of Conduct is provided to all suppliers of Holcim during the tendering process. Suppliers are required to confirm their understanding and adherence of these requirements before proceeding with the tender process.

Supplier contracts contain a clause regarding conditions reflecting environmental, social and health and safety standards.

The Supplier Code of Conduct is available on the Holcim website.

Step 3

Prioritise the supplier base to identify potential "High risk" suppliers following the methodology defined in the Holcim Sustainable Procurement Recommendation.

This risk matrix includes an analysis of risks to human rights and labour, health and safety, and environment.

Holcim has localised the Holcim Ltd risk analysis matrix to reflect the local operating environment following an evaluation of:

- Sector and industry risk;
- Products and services risks;
- Geographical risks; and
- Labour and regulatory indicators.

Holcim conducts a review of potential and new suppliers against this matrix, and reviews existing suppliers regularly.

Step 4

Conduct supplier assessment by executing continuous evaluation of risk exposure through supplier self-assessment / fact finding / audits accordingly.

Suppliers in categories that are indicated as high risk are sent a self assessment questionnaire which is evaluated. Any answers flagged as medium or high risk are followed up requesting additional information until the matter is resolved either by email/phone communication. To date there have been no high risk responses.

There is a due diligence process that is conducted when using labour hire companies to ensure that relevant employment standards and practices are upheld at all times.

Step 5

Mitigate identified risk (ultimately supply disruption and company reputation) adhering to the consequence management approach defined in the Sustainable Procurement Policy.

The remediation process would be that if a high risk response was returned, or there was any other indication of high risk identified with a supplier, Holcim would follow the process of investigating through visits or audits and may take measures such as suspending or discontinuing the relationship if satisfactory standards were not met.

Step 6

Monitor "supplier" sustainability performance. Report overall "country" sustainable procurement performance through the annual SP Scorecard.

Holcim conducts ongoing dialogue with suppliers, analysing performance periodically and conducting ongoing supplier sustainability performance measurement. If applicable, the Holcim procurement team would monitor improvement plans applying consequence management as required.

Additional actions undertaken

In addition to these six steps, Holcim has undertaken the following activities relating to the Modern Slavery Act requirements during the reporting period.

1. Throughout 2020 a group of key stakeholders met regularly to understand the requirements of the Modern Slavery Act and how Holcim is addressing these issues in its business and supply chain.
2. An online Modern Slavery Awareness module has been created and was delivered to the Executive Committee, senior leadership and staff in Procurement, Human Resources, Legal and Communications.



Assessing the Effectiveness of Activities

Holcim has not identified any high risk modern slavery issues based on the risk analysis and self assessment questionnaire process used in tender processes and the organisation's robust frameworks.

A high degree of supplier engagement was demonstrated via the Self Assessment process with a near 100% response rate.

Holcim will continue to use the Self Assessment process to measure performance against its Policy Framework.

With an established confidential complaint and grievance mechanism available to employees, suppliers and others which encourages individuals to voice concerns without retribution, Holcim will continue to monitor any reports related to modern slavery and human rights.

Case study - local supplier sourcing from overseas

A self assessment questionnaire was returned showing that a local supplier sourcing from an overseas supplier did not have a process to ensure they had a system to manage risks. After raising this issue, the Australian supplier made arrangements with their overseas contact to establish a process to confirm compliance with government regulations including modern slavery and the environment. A system of regular checking was also established to confirm ongoing compliance to Government requirements.

The Impact of COVID-19

The pandemic has had a devastating impact on the world's supply chains placing even greater pressure on vulnerable workers. Holcim's commitment to ensuring the health and wellbeing of all employees during COVID extended to ensuring that workers within its supply chains overseas did not have their rights impacted through unfair working conditions.

Case Study - procurement of PPE from China

When Holcim needed to procure quantities of personal protective equipment due to COVID-19 the organisation conducted a review and tender process of suppliers in China. The procurement team enlisted the assistance of the local Holcim Ltd Group company in China to conduct a site visit, including reviewing working conditions, to ensure that employment standards were aligned with the Supplier Code of Conduct.

Acknowledgement

Holcim acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the land on which we live. We pay our respects to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

This Modern Slavery Statement was approved by the Board of Directors of Holcim (Australia) Pty Ltd on 26 April 2021 and the Board of Directors of Holcim (Australia) Holdings Pty Ltd and Holcim Participations (Australia) Pty Ltd on 20 May 2021, in accordance with the requirements of the Modern Slavery Act 2018 (Cth).



George Agriogiannis
Chair

Holcim (Australia) Pty Limited
Holcim (Australia) Holdings Pty Ltd
Holcim Participations (Australia) Pty Ltd

