

Modern Slavery Statement 2023

Published June 2023



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.

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About this Statement

This statement is prepared in accordance with the Australian *Modern Slavery Act 2018* (Cth) (the Act) 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 slavery¹ risks in its operations and supply chain for the financial year ending 31 December 2022.

In accordance with section 14 of the Act 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.

¹The term modern slavery is used to denote practises defined in the *Modern Slavery Act 2018* (Cth) and includes eight types of serious exploitation: servitude, slavery, forced labour, forced marriage, the worst forms of child labour, debt bondage, deceptive recruiting for labour or services and trafficking.

Introduction



Holcim recognises that it must continue to work diligently and with genuine intentions to ensure the human rights of all employees are upheld, whether they are in Holcim, in Holcim's supply chain or within Holcim's contractor's organisations. We want all people to enjoy a free and equal life no matter where they live and what role they play.

Holcim continues to support 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 continuing to focus the organisation to address issues related to human rights, modern slavery and environmental sustainability.

Holcim continues to support the objective of Australia's Act and is working to better understand the risks or changes in 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

A handwritten signature in black ink, appearing to read 'George Agriogiannis', with a stylized flourish at the end.

George Agriogiannis
Chair
Holcim (Australia) Pty Limited
Holcim (Australia) Holdings Pty Ltd
Holcim Participations (Australia) Pty Ltd

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 Act 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](#)² there are an estimated 49.6 million people trapped in modern slavery worldwide, including 23 million in supply chains around the globe.

UN Sustainable Development Goals

Holcim is committed to sustainable development, people and community which are 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."*³



²Walk Free Global Slavery Index 2023

³Sustainable Development Solutions Network - Sustainable Development Goals

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 small and local, to large, technically challenging infrastructure projects in the construction of the homes, towns and cities in which we live and work.

Part of the Holcim 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 60,000 people globally.

Holcim Ltd is a global leader in innovation and sustainable building solutions and is enabling greener cities, smarter infrastructure and improving living standards around the world. Sustainability is at the core of its strategy.

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 for more than 20 years (since 2003), Holcim Ltd is fully committed to respecting and promoting 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, Penrith Lakes Development Corporation, 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 via a network of more than 150 concrete plants; 900 mixer trucks and mobile and on-site facilities; precast concrete from 10 precast concrete manufacturing facilities; and more than 55 quarry operations. Holcim employs more than 3,700 people directly and indirectly in the Australian market.

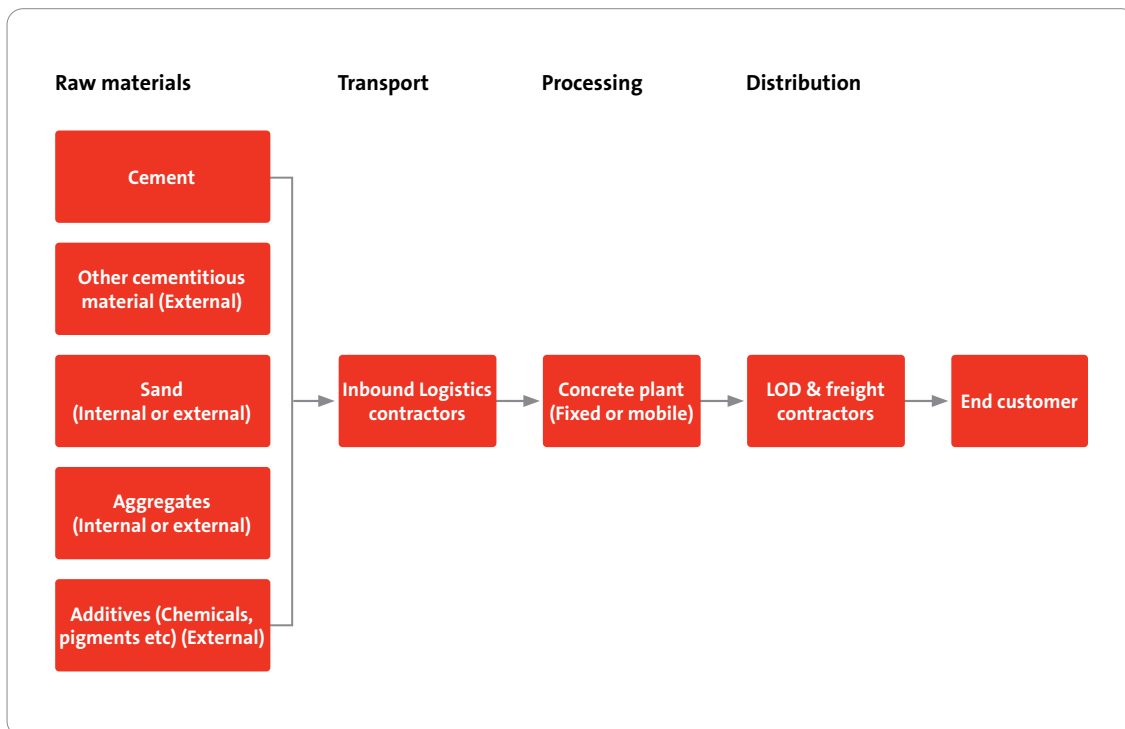
Premixed concrete formed from a mix of cement, aggregates, additives and water, are delivered in specially designed mixer trucks. Holcim offers an extensive array of premix products

designed to achieve specific properties based on their application, transport and construction requirements including mobile and on-site batching to service major projects.

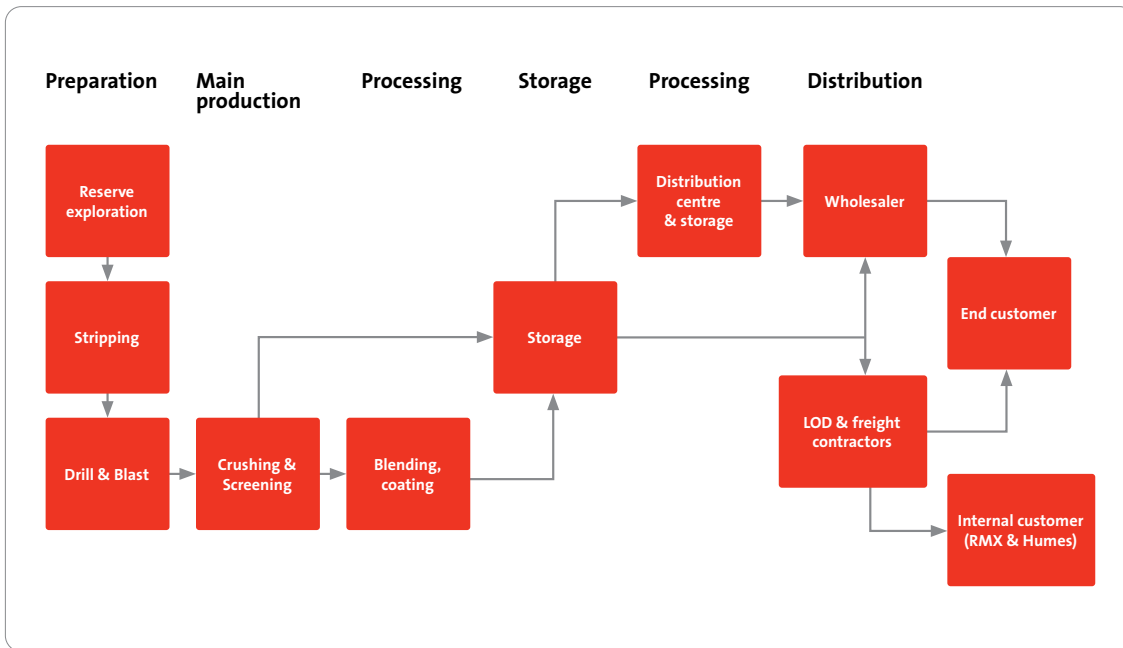
The quarry products available from Holcim's operations include rail ballast, aggregates, gravels, road pavement materials, manufactured and natural sands; products essential to building and maintaining our modern communities.

Precast concrete pipes and products such as concrete culverts, sleepers and stormwater pits, are supplied from our 10 manufacturing facilities across the country and are integral in the construction of roads, bridges, railways and other infrastructure to support construction and infrastructure projects across our towns and cities.

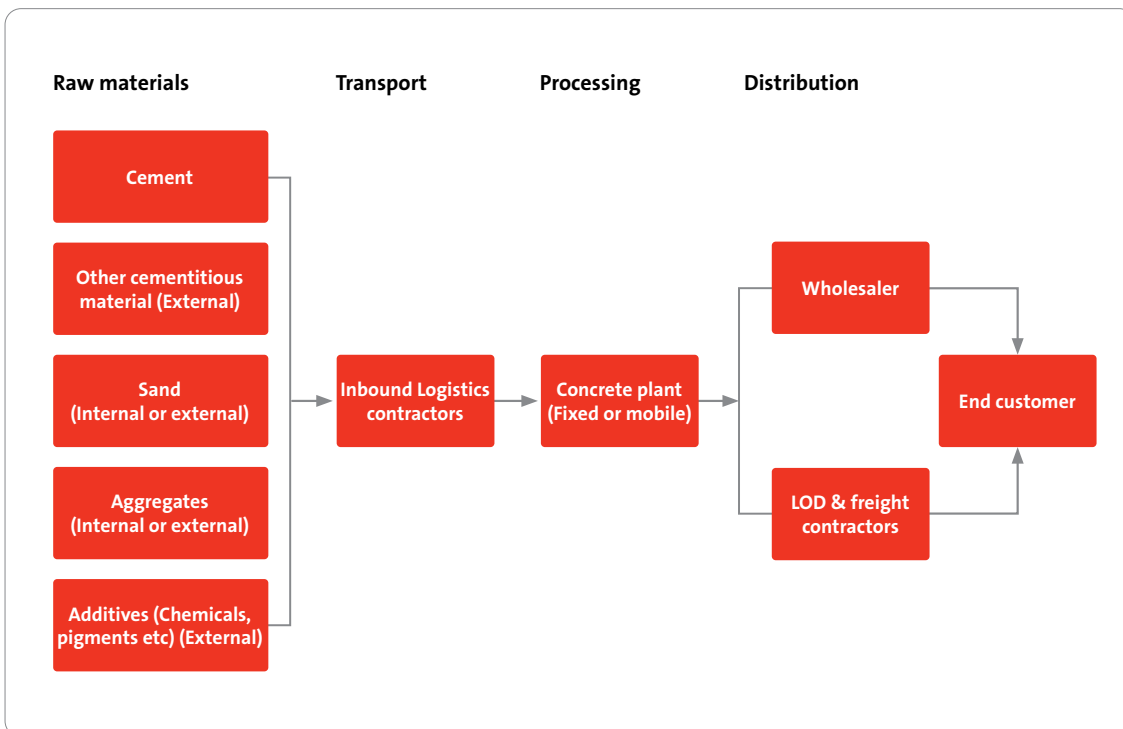
Precast Concrete supply chain



Aggregates supply chain



Ready-mix concrete supply chain



Managing our Supply Chain

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

The organisation has a spend of approximately \$1.8 billion 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; 97% of the labour hire spend is for the workforce in Holcim’s operations through four providers, with the remainder for offices and administration.

Supplier category	Spend %
Logistics Services	25%
Cement and Clinker	23%
Mining	10%
Production Services	8%
Equipment & Consumables	8%
Raw Materials	6%
Facility Services	4%
General Services	4%
Corporate Services	4%
Energy	4%
Others	4%



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.

We have assessed the risk of modern slavery in our own business to be low.

Through our People and Culture team we have controls in place for recruitment, onboarding new employees, reviewing employees' wages and salary agreements, and verifying corresponding payments.

Our employee onboarding process includes employment checks managed by our People and Culture team, and ensuring that all new employees hold valid visas and working rights.

Our employee induction processes also ensure that

new employees confirm that they have read and understood our policies and minimum standards.

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.

Action: In 2023, Holcim plans to assess additional controls and systems to continue to monitor suppliers and proactively identify modern slavery risks.



Human Rights Due Diligence

Holcim's parent company, Holcim Ltd, is committed to respecting and promoting human and labour rights in our operations, business activities, business relationships and in the communities where we work. Respect for human rights is fundamental to the way Holcim carries on business.

This commitment is aligned with international human rights standards, including the UN Guiding Principles on Business and Human Rights, the principles contained within the Universal Declaration of Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, UN Convention on the Rights of the Child and the International Labour Organisation (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 a Human Rights and Social Policy and 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. These requirements are followed by Holcim.

The first step of this approach requires 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, developed 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. While the human rights assessments are required by Holcim to be undertaken on a 3 year cycle, the assessment was reviewed again by the Executive Committee in December 2022 where it was confirmed to be current and accurate.

As a minimum this Human Rights Assessment covers 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:

Human Rights and Social Policy

This policy sets out how Holcim's employees should interact with business partners, suppliers, communities and other stakeholders. Holcim also expects suppliers to adhere to this Policy (amongst other requirements). It forms part of Holcim's core values and its main objective is to set out the company's human rights and social commitment. This Policy is publicly available and subject to regular review.

Corporate Citizenship Policy

This Policy outlines the Holcim Ltd 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 as well as requiring the same from its 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. In late 2021, the Supplier Code of Conduct was refreshed to ensure its continued relevance against modern slavery, including explicit expectations of suppliers around working conditions, forced labour and child labour, among others.

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. The Code is also publicly available on Holcim's website.

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.

This document was updated in January 2022 and deepens Holcim's focus on human rights and health, safety and environment standards.

Suppliers Sustainability Management Standard

Holcim expects suppliers to meet the social, environmental and health and safety

Standards and to respect and promote human rights. These expectations are 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 Labour 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

The United Nations Principles on Human Rights and Business state that as part of their responsibility to respect Human Rights, companies must carry out due diligence to ensure that their commercial partners also respect these rights.

Holcim follows the Holcim Ltd Procurement Sustainability Directive which defines six steps to implement the sustainable procurement approach:

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 Group 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 by requesting additional information until the matter is resolved either by email/phone communication. To date there have been no high risk responses received from Holcim's suppliers.

During the reporting period the self-assessment questions were reviewed in light of responses received in the previous reporting period.

There is a separate 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 is 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 Sustainable Procurement 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 alignment with these six steps, Holcim has undertaken the following activities relating to the Act requirements during the reporting period:

1. In 2022 Holcim formed the Modern Slavery Working Group comprised of senior executives from People & Culture, Legal, Sustainability and Procurement. The group is chaired by the EGM of People & Culture and is responsible for monitoring and reviewing work undertaken to strengthen our approach to modern slavery in light of the Act. The group met twice in 2022 and has met 4 times already in 2023.
2. In 2022 we launched a supplier qualification tool. The tool will enable a more efficient process around the collection and reporting of responses to self-assessment questionnaires. In addition it will enable Holcim to assess exposure on the following key elements to enable higher levels of confidence around supplier selection processes utilising data sources such as Dow Jones Compliance Risk and Adverse Media monitoring, Achilles (Labour, Health & Safety Risk) and Dun & Bradstreet (financial risk):
 - International sanction lists;
 - Fraud/regulatory issues/corruption;
 - Financial stress;
 - Sustainability.

Over the next two years the following actions are proposed to drive continuous improvement in our alignment with the Holcim Sustainable Procurement Directive:

- Continue the roll out of the supplier pre-qualification tool as the key process through which we communicate our expectations to suppliers and obtain information to support our assessment of their modern slavery risk profile.
- Further develop and implement a modern slavery management operating procedure that formalises the processes and procedures adopted by Holcim in supporting the identification, assessment and management of modern slavery risks and issues within its supply chains.
- Roll out of the online Modern Slavery training module to build awareness and understanding.
- Continue our knowledge development and sharing with other industry participants and industry groups through presentations, webinars and forums in order to increase awareness, promote the exchange of best practices and identify high risk areas and potential solutions.
- Ensure staff and suppliers awareness around the use of Holcim's Integrity Line to report on any conduct that does not align with our Supplier Code of Conduct including any alleged or perceived modern slavery issues.

Assessing the Effectiveness of Activities

Holcim has not identified any high risk modern slavery issues during the reporting period 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 again during the reporting period 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 encourage individuals to voice concerns without retribution, Holcim will continue to monitor any reports related to modern slavery and human rights. No reports relating to modern slavery were made during the reporting period.

Case study

Local involvement in group policy

In late 2021, the Supplier Code of Conduct was being refreshed to ensure it maintained relevance with global standards. Procurement representatives from all of the major countries that Holcim operate in, including Australia, were actively involved in providing input and review of the Code to ensure it met the highest minimum standards. This is reflected in the refreshed Code that specifically focuses on Modern Slavery elements such as child labour, Forced Labour and working conditions.

This Modern Slavery Statement 2023 was approved by the Board of Directors of Holcim (Australia) Pty Ltd on 23rd June 2023 and the Board of Directors of Holcim (Australia) Holdings Pty Ltd and Holcim Participations (Australia) Pty Ltd on 23rd June 2023, in accordance with the requirements of the Act.



George Agriogiannis
Chair

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

