



**Cement Australia Holdings Pty Ltd**

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# 2020

## Joint Modern Slavery Statement for Cement Australia Holdings Pty Ltd and Cement Australia Partnership





## Contents

	<b>Page Number</b>
1. Introduction	3
2. Structure, operations and supply chains	3
3. Risks of Modern Slavery practices in the operations and supply chains of Cement Australia	6
4. Cement Australia actions to address Modern Slavery risk	7
5. Approval of the Modern Slavery Statement	8



## **1. Introduction**

Cement Australia Holdings Pty Ltd (ACN 001 085 561) and the Cement Australia Partnership (“Cement Australia”) are each reporting entities under the Modern Slavery Act 2018 (Cth).

This Modern Slavery Statement is made by Cement Australia for the year ended 30<sup>th</sup> December, 2020.

Modern Slavery includes:

- Trafficking in persons;
- Slavery;
- Servitude;
- Forced marriage;
- Forced labour;
- Debt bondage;
- Deceptive recruiting services; and
- The worst forms of child labour.

It is Cement Australia’s policy to conduct business ethically, respecting the rights of all to be free from the practices of Modern Slavery. We aim to:

- Raise awareness of modern slavery practices through communication and training of appropriate stakeholders;
- Implement systems designed to understand and monitor the risk of modern slavery; and
- Promote the use of our Whistleblower Framework as a mechanism for employees, suppliers and contractors to report grievances confidentially.

## **2. Structure, operations and supply chains**

### **(a) Structure**

Cement Australia Holdings Pty Ltd is owned by controlled entities of LafargeHolcim Ltd (Switzerland) and HeidelbergCement AG (Germany) in the proportions of 50% and 50% respectively.

Separately, a partnership has been formed between controlled entities of LafargeHolcim Ltd and HeidelbergCement AG with interests held in the Cement Australia Partnership in the same proportions of 50% and 50% respectively.



Cement Australia Holdings Pty Ltd and the Cement Australia Partnership all operate under the same policies, procedures and systems including human resources, procurement and risk management. They also contract with the same suppliers of goods and services. Accordingly, they will be referred to as Cement Australia throughout this Statement. A reference to Cement Australia also refers to their respective controlled entities.

Please see a list of the significant controlled entities of Cement Australia Holdings Pty Ltd noting that the Cement Australia Partnership does not have any controlled entities:

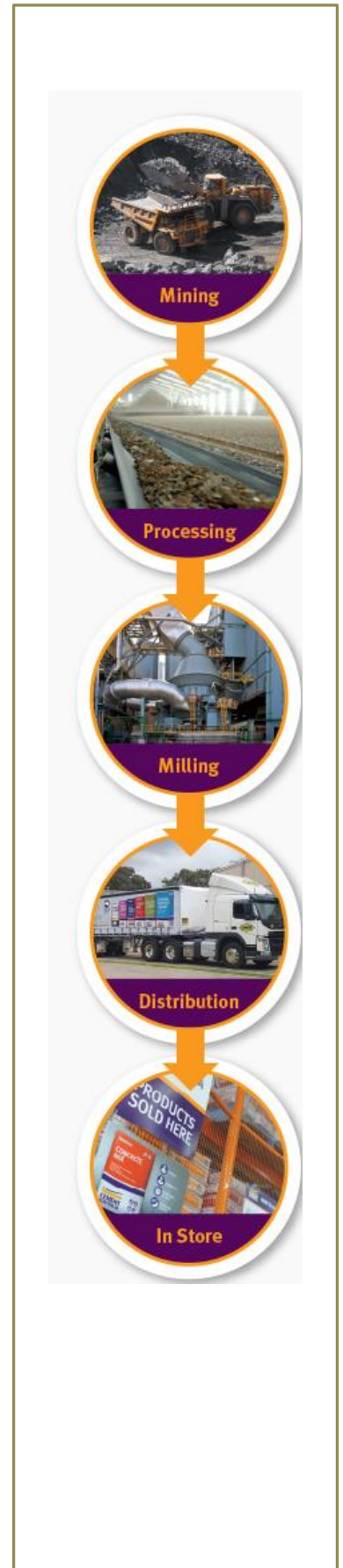
- Cement Australia (Coal) Pty Ltd
- Cement Australia (Darra) Pty Ltd
- Cement Australia (Exploration) Pty Ltd
- Cement Australia (Goliath) Pty Ltd
- Cement Australia (Queensland Transport) Pty Ltd
- Cement Australia (Queensland) Pty Ltd
- Cement Australia Packaged Products (Qld) Pty Ltd
- Cement Australia Packaged Products Pty Ltd
- Cementco Investments Pty Ltd
- Geocycle Pty Ltd (environmentally friendly industrial waste disposal services)
- Geocycle SBF Pty Ltd (environmentally friendly industrial waste disposal services)
- Kimbolton Coal Pty Ltd
- Pacific Lime Pty Ltd
- Pozzolanic Enterprises Pty Ltd
- Pozzolanic Holdings Pty Ltd
- Pozzolanic Industries Pty Ltd
- The Cornwall Coal Company Pty Ltd

Cement Australia are also involved in a number of joint ventures however these are not controlled by Cement Australia. These joint ventures include Port Kembla Milling Pty Ltd, Fly Ash Australia Pty Ltd, Melbourne Cement Facilities and the Australian Steel Mill Services Pty Ltd. These joint ventures are not covered in this Statement.

Cement Australia's registered office is 18 Station Avenue, Darra in the State of Queensland and we employ over 900 people.

#### (b) Operations

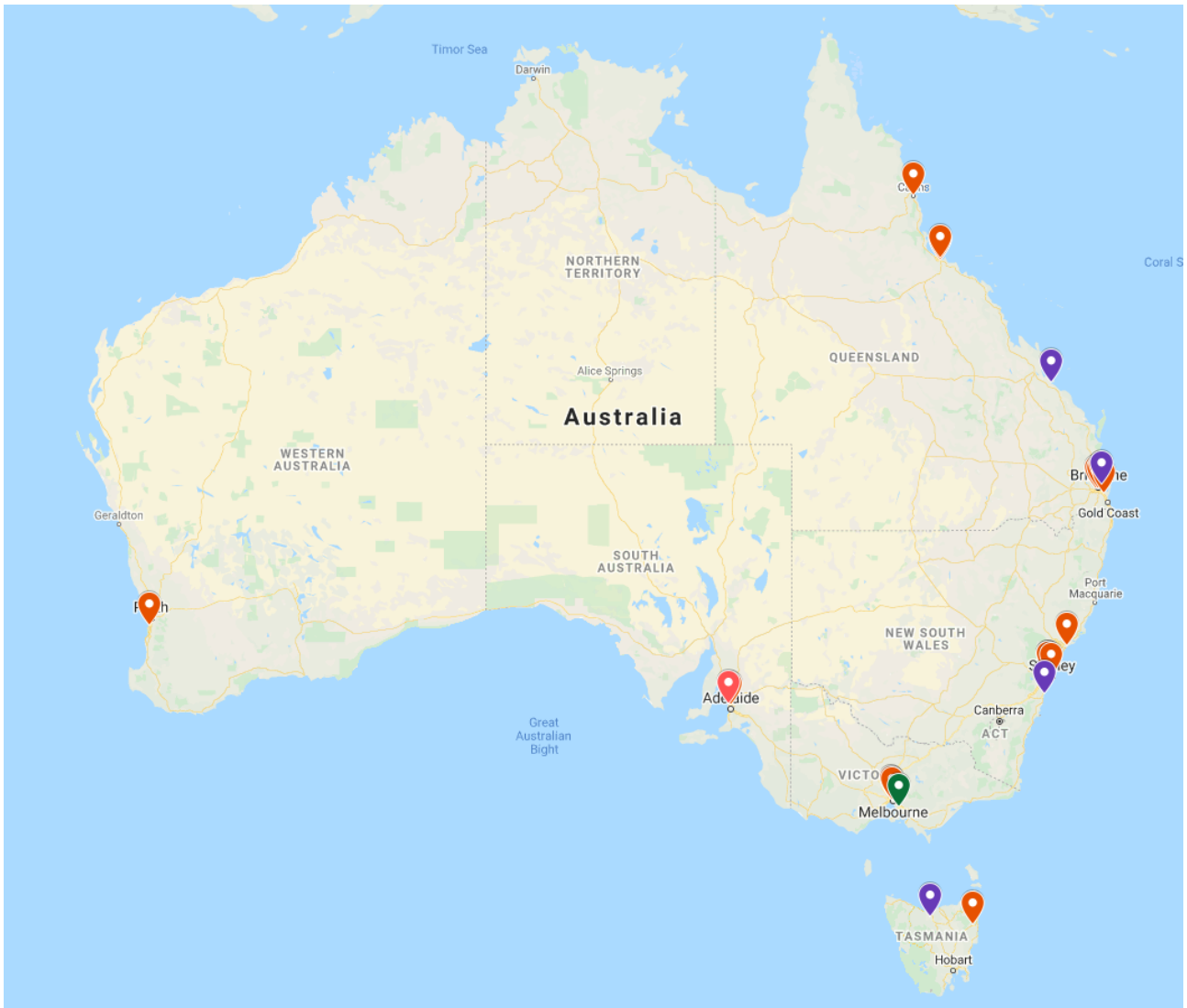
Cement Australia is a manufacturer and seller of cement and cementitious products in Australia.





Cement Australia manufacture high performance General Purpose cement and General blended cements including customised blends for special applications. In addition, we supply concrete-grade fly ash and Ground Granulated Blast Furnace Slag along with high-grade lime products in bulk and packaged forms.

Cement Australia have manufacturing plants located in Queensland, New South Wales and Tasmania as well as numerous distribution depots up and down the East Coast of Australia. Cement Australia do not operate in any jurisdiction other than Australia.



Cement Australia's Australian footprint



### (c) Supply Chains

Cement Australia has a mix of short term and long term contracts with suppliers depending on the type of goods or services being procured. These include contracts for supply of raw materials, employment contracts, procurement contracts for the supply of goods and services to Cement Australia's operating sites and contracts with transport, rail and shipping companies.

Cement Australia source the substantial majority of raw materials, such as the limestone used in our cement manufacturing from Australian companies.

In some instances, where Australia does not have the manufacturing capacity, Cement Australia source plant and equipment for our manufacturing sites from overseas countries. This plant and equipment is sourced mainly from Europe. Cement Australia undertake due diligence on suppliers of plant and equipment from overseas to ensure that the workshops where the goods are fabricated and the materials used are reputable.

Cement Australia also have a large distribution network for the distribution of our products to the market. This includes rail contracts, contracts with road transport operators and contracts with shipping provider companies.

## **3. Risks of Modern Slavery practices in the operations and supply chains of Cement Australia**

### (a) Operations

Cement Australia consider our operations to be low risk on account of the strong employment procedures and processes followed by Cement Australia. This includes a Recruitment, Selection & Appointment Procedure which sets out:

- The process to be used when employing staff members appointed from overseas including holding the required work visas;
- Any recruitment agencies used by Cement Australia must have signed written contracts in place; and
- An in-depth Pre-Employment Screening process.

Cement Australia also have in place a Remuneration Procedure which applies to all employees, including fixed or maximum term contractors, that sets out annual remuneration reviews for employees and applies to all employees.

In addition, Cement Australia has a Whistleblower Framework in place that provides confidential access to advice and guidance to all employees, officers of Cement Australia or other individuals that provide goods or service to Cement Australia and their families and their dependents. Posters advertising this Whistleblower Framework are present in all Cement Australia sites in common areas.



## **(b) Supply Chains**

In 2020 Cement Australia commenced a desktop review to identify our high risk areas in our supply chain at a Tier 1 level. The main categories identified as having a higher risk of Modern Slavery were:

- Distribution including shipping, road and rail transport;
- Equipment supply;
- Labour hire;
- Consumables; and
- Equipment hire.

The responses received to our third party supplier questionnaire allowed Cement Australia to assess the risks of Modern Slavery in these supply chains. Cement Australia assessed the risk as low on account of a number of factors:

- Cement Australia operate in Australia only;
- When Cement Australia purchase goods from overseas due diligence checks are present in the procurement process to ensure that goods are purchased from reputable suppliers;
- When Cement Australia purchase goods and services from Australian supplier's these companies are also subject to Cement Australia's procurement process; and
- Cement Australian work with reputable labour hire companies and have contractual obligations in place as well as a strong Whistleblower Framework available to suppliers of goods and services to Cement Australia and their families and dependents.

Cement Australia will, in 2021, continue to roll-out our third party supplier questionnaires to other categories while continuing to work with the third party suppliers already identified to minimise any risk of Modern Slavery in our supply chains.

## **4. Cement Australia actions to address Modern Slavery Risk**

In late 2019 Cement Australia began planning the actions they would take in 2020 to address Modern Slavery Risk in our operations and supply chains.

As the COVID-19 pandemic had not yet started the actions for 2020 did not take into account any impact of the pandemic. Looking forward, Cement Australia believe that a continued focus on labour hire companies and equipment supply is appropriate to take account the potential impact on these supply chains caused by the pandemic.

### **Cement Australia's 2020 Actions**

- Commencement of the review of Procurement contracts Modern Slavery clauses;
- Supplier Code of Conduct and Sustainable Procurement Policy reviewed and updated;
- Internal Modern Slavery online training module developed and rolled out to appropriate stakeholders across Cement Australia;
- Cement Australia and senior management, including the Cement Australia Board, engaged with early on the Modern Slavery obligations; and



- High risk areas of supply identified and a third party supplier questionnaire sent to those suppliers.

## **5. Effectiveness**

Cement Australia understand that the Modern Slavery Act is intended to allow companies to take a continuous improvement approach to Modern Slavery risks in that entities operations and supply chains. Cement Australia will continue to work with our suppliers to assess the effectiveness of our approach. One way that Cement Australia will continue to measure our effectiveness is through our Whistleblower Framework.

In 2021 Cement Australia are implementing the below actions:

- Process to identify all new goods and services providers for them to complete the Modern Slavery questionnaire as part of the new provider process;
- Roll out the Modern Slavery questionnaire to those categories of goods and services considered to be of medium risk to Modern Slavery;
- Further roll out of internal training on Modern Slavery;
- Initial roll out of Modern Slavery training to identified high risk third party suppliers;
- Update procurement procedures with Modern Slavery awareness to be included as part of quarterly KPI reviews; and
- Update Procurement tender documents to include an assessment of Modern Slavery risks.

## **6. Approval of the Modern Slavery Statement**

This Modern Slavery Statement has been approved by the Board of Cement Australia Holdings Pty Limited and the Cement Australia Partnership. Rob Davies, CEO of Cement Australia, has been authorised to sign the Modern Slavery Statement as the responsible member.

Signed:

A handwritten signature in black ink that reads "Rob Davies".

Rob Davies  
CEO Cement Australia