

2021 JOINT MODERN SLAVERY STATEMENT



for Cement Australia Holdings Pty Ltd and Cement Australia Partnership

A close-up, low-angle shot of a white Cement Australia cement truck. The truck's large rotating drum is the central focus, with the words "CEMENT AUSTRALIA" printed in large, bold, brown letters. The truck is parked outdoors, and its rear lights and safety markings are visible. The background is slightly blurred, showing greenery and a clear sky.


MADE
Right Here

AN AUSTRALIAN ICON...

Cement Australia has provided the cement for many of Australia's most significant projects.

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 30th December, 2021.

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.

Structure, Operations & Supply Chain

Structure

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

Separately, a partnership has been formed between controlled entities of Holcim Group 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.

In order to prepare this joint statement, we engaged with each of the reporting entities covered by this Modern Slavery Statement and consulted the entities we own or control.

This includes the following entities:

Joint Ventures

- ✓ Port Kembla Milling Pty Ltd
- ✓ Ecocem Pty Ltd
- ✓ Ecocem Operations Pty Ltd

Cement Australia Holdings Pty Ltd controlled entities

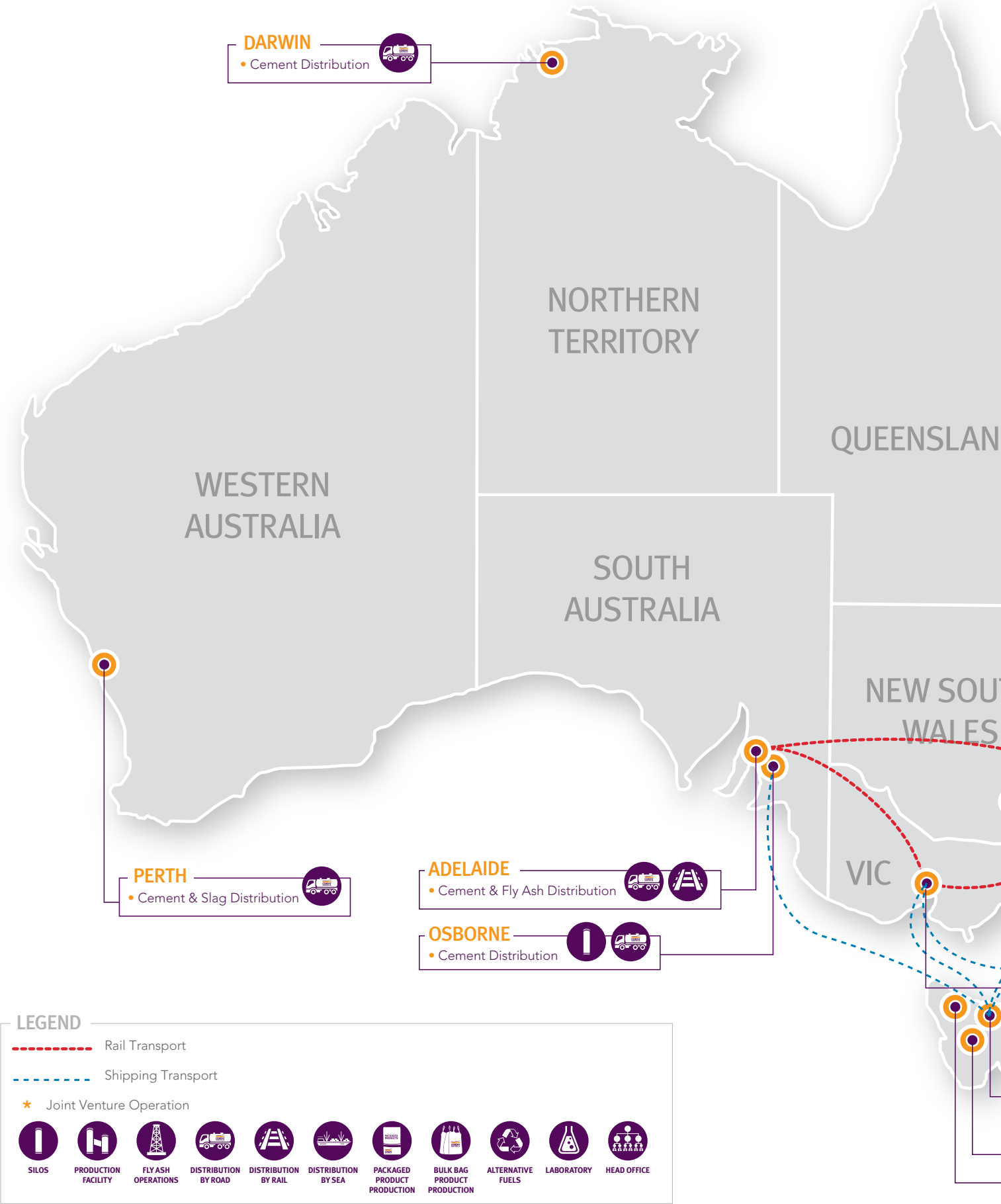
- ✓ Cement Australia (Coal) Pty Ltd
- ✓ Cement Australia (Darra) Pty Ltd
- ✓ Cement Australia (Exploration) Pty Ltd
- ✓ Cement Australia (Goliath) Pty Ltd
- ✓ Cement Australia (Queensland Transport) Pty Ltd
- ✓ Cement Australia (Queensland) Pty Ltd
- ✓ Cement Australia Packaged Products (Qld) Pty Ltd
- ✓ 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
- ✓ Pozzolanac Enterprises Pty Ltd
- ✓ Pozzolanac Holdings Pty Ltd
- ✓ Pozzolanac Industries Pty Ltd
- ✓ The Cornwall Coal Company Pty Ltd

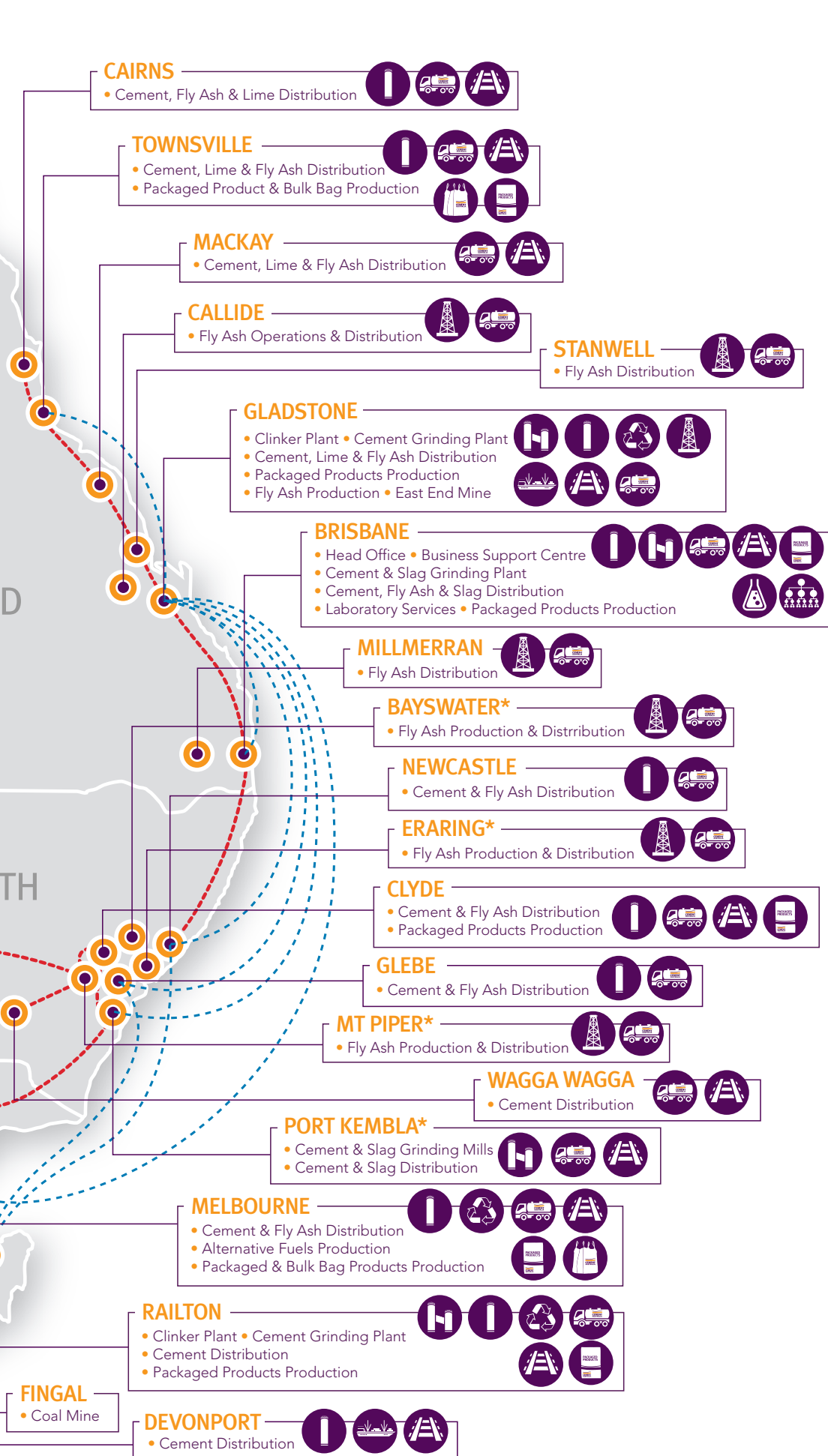
DARRA

Registered Office:
18 Station Ave
Darra, Queensland

900+
EMPLOYEES
across Australia

Our National Network





**24
SITES**

across Australia

**56
SILOS**

holding
bulk product

**28
DISTRIBUTION
CENTRES**

across Australia

**6
MILLION
TONNES**

of cementitious
material processed
each year

Operations

Cement Australia's main business involves the manufacture and sale 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 also operate an environmentally friendly industrial waste business under the legal entity Geocycle SBF Pty Ltd. The waste is processed at our facility in Dandenong, Victoria and destroyed in our two clinker kilns located in Gladstone, Queensland and Railton, Tasmania.

Supply Chain

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 sources the majority of its raw materials, such as the limestone used in cement manufacturing, from within Australia.

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.

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Risks of Modern Slavery Practices

in the Operations & Supply Chains of Cement Australia

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 and 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.

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, their families and their dependents.

In 2022, Cement Australia intend to review all labour hire suppliers contract terms and conditions under which they operate.

Supply Chain

In 2020, Cement Australia commenced a desktop review to identify our high risk areas in our supply chain at a Tier 1 level.

The suppliers in the identified categories of

- Distribution (shipping, road and rail), and
- Equipment Supply; (labour hire, consumables and equipment hire)

were emailed the Cement Australia Modern Slavery Questionnaire. Cement Australia assessed the risk of Modern Slavery in the high risk areas as low based on the responses received to the Questionnaire.

In 2021, Cement Australia continued to work with existing suppliers providing goods and services to Cement Australia undertaking a deep dive into our Supply Chain and Logistics with a spotlight on our contract drivers of vehicles. The majority of Cement Australia's contract drivers operate as owner/operator businesses.

In addition, Cement Australia has a comprehensive heavy vehicle telemetric system to ensure compliance with national Heavy Vehicle laws which monitors fatigue and speed.

This system is used to ascertain whether any drivers (employed or contracted) are working long hours or are under pressure to complete deliveries quickly. On account of these factors the risks of Modern Slavery in contract and employed drivers was assessed as low.

In 2021, Cement Australia also set up an automatic email to any new suppliers which included a requirement to complete the Modern Slavery Questionnaire.

Weekly results from these questionnaires are reviewed for any red flags indicating that there may be some Modern Slavery Risk.

Cement Australia Actions

to Address Modern Slavery Risk

In late 2020 Cement Australia began planning the actions they would take in 2021 to address Modern Slavery Risk in our operations and supply chains.

As the COVID-19 pandemic had been in play for approximately nine 9 months the actions for 2021 considered anticipated impacts of the pandemic such as ongoing labour supply issues as well as interruptions to international and national supply chains caused by the pandemic.

Cement Australia's 2021 Actions

- ✓ Mandatory requirement for all new suppliers to complete the Modern Slavery Questionnaire as part of becoming a Cement Australia supplier;
- ✓ Roll out of the internal training on Modern Slavery Risks to the Cement Australia Purchasing Team who place orders and deal with suppliers;
- ✓ Update of the Procurement KPI requirements setting Modern Slavery compliance as a KPI for quarterly meetings with suppliers;
- ✓ Updated Procurement tender precedents and assessment schedules to capture Modern Slavery understanding and compliance; and
- ✓ Deep dive into Cement Australia labour hire and recruitment suppliers with completion of a Modern Slavery Questionnaire.



Effectiveness



Cement Australia understand that the Modern Slavery Act is intended to allow companies to take a continuous improvement approach to Modern Slavery risks.

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 2022 Cement Australia will implement the below actions:

- ✓ Review all labour hire and recruitment contract terms and conditions to ensure Modern Slavery Risks are addressed;
- ✓ Engagement with the Cement Australia Human Resources team on essential contract clauses and due diligence that needs to be undertaken on any new labour hire and recruitment suppliers to identify any Modern Slavery Risks;
- ✓ Expansion of the Cement Australia Modern Slavery training to all Cement Australia personnel who have the authority to engage with suppliers;
- ✓ Internal training for Procurement Team on using the updated quarterly templates for KPIs that now address Modern Slavery Risks;
- ✓ Continuing review of response to Modern Slavery Questionnaire and follow up on any red flags;
- ✓ One page external document to be drafted and provided to Cement Australia suppliers, explaining what Modern Slavery is and how to identify Modern Slavery including the requirement to report any identified Modern Slavery breaches to Cement Australia;
- ✓ Bi-annual review of Cement Australia's Modern Slavery Policy Statement and potential approval for placement of the Policy and Cement Australia's most recent Modern Slavery Statement on the Cement Australia website.

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:



Rob Davies
CEO Cement Australia

[Published February 2022]