



## MODERN SLAVERY REPORT FOR HOLCIM SOLUTIONS AND PRODUCTS US, LLC

### 1. INTRODUCTION

This report is made on behalf of Holcim Solutions and Products US, LLC, an Indiana limited liability company (“**Holcim**”, or the “**Company**”), and describes the actions taken by Holcim during the financial year beginning January 1, 2023 and ending December 31, 2023 (“**Reporting Period**”) to assess, prevent and reduce the risk that forced labour or child labour is used at any step in its operations and supply chains pursuant to the requirements of *Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“**Act**”). In this report, Holcim uses the term “**Forced Labour**” to encompass instances of both forced labour and child labour. This Report constitutes the first report prepared by Holcim under the Act.

Holcim is committed to respecting human rights and to preventing Forced Labour from occurring in any of its operations or throughout its supply chains. Holcim is also committed to continuously improving its systems and controls to better identify, assess, and address risks of Forced Labour across its business and supply chains. During the Reporting Period, Holcim further enhanced its procurement framework by refining its key procurement policies and procedures.

Holcim’s sustainable procurement and due diligence practices and methodologies are aligned with the United Nations [Guiding Principles on Business and Human Rights](#), the International Organization for Standardization standard ISO 20400 - [Sustainable Procurement Guidance](#), the Organization for Economic Cooperation and Development [Guidelines for Multinational Enterprises on Responsible Business Conduct](#).

### 2. HOLCIM STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

Holcim is a member of the Holcim Group, a global leader in innovative and sustainable building solutions, headquartered in Switzerland and with net sales of CHF 27.0 billion in 2023. Holcim is primarily focused on operations within the United States, but certain of its divisions have sold products to Canadian-based customers, either directly or through Lafarge Canada, Inc., which serves as the Canadian arm of the global Holcim Group. Holcim currently has no employees or manufacturing operations within Canada.

Holcim’s main activities are manufacturing and selling sustainable construction materials and building solutions, and the research and development of durable, sustainable, and energy-efficient construction materials. Some of Holcim’s core products include sustainable ISO, EPDM, and PVC roofing systems as well as polyiso, spray foam, coating, adhesive, and sealant solutions (such products are examples of Holcim’s “**Products and Solutions**”). Holcim’s focus is to develop building solutions with minimal environmental impact to ensure a more sustainable economy. Holcim’s purpose is to build progress for people and the planet. As a member of the Holcim Group, the Company has set rigorous science-based targets to meet the Company’s goals of net-zero and circular construction.



Holcim operates a complex supply chain designed to support the production and distribution of its Products and Solutions, as well as to support its other specialized projects and business lines. Holcim sources its materials and equipment from an extensive network of domestic and international suppliers and distributors, both externally and internally within the Holcim Group network.

### **3. POLICIES, DUE DILIGENCE PROCESSES, GRIEVANCE MECHANISM**

#### **Policies**

Holcim is dedicated to integrating Forced Labour and broader human rights considerations into its decision-making and business practices to ensure that any risks of violations are sufficiently mitigated and/or adequately remediated. This is done by implementing a range of policies, procedures, and due diligence measures to identify, assess, and manage such risks.

In addition to the guidelines mentioned in the “Introduction” section of this Report, the principles governing sustainable procurement at Holcim Group and, therefore, Holcim are also based on: (1) the United Nations’ [Global Compact Ten Principles](#), and (2) the [International Labor Organizations’ Declaration on Fundamental Principles and Rights at Work](#). More information on Holcim Group’s sustainable procurement principles can be found on the [Sustainable Supply Chain](#) page of its website.

The key policies are described in further detail below.

#### **Procurement Policy**

Holcim Group’s global procurement policy defines our overarching guidelines and processes, which build the basis for Holcim Group’s country and regional procurement policies. It is a mandatory policy for all Holcim Group’s procurement employees and for all employees outside the procurement function who are performing any procurement activity to abide by, and documents how Holcim Group’s procurement processes are to be conducted to ensure, among other items, that Holcim’s suppliers are supportive of Holcim’s values and principles. Subject employees are trained in these processes at the time of onboarding into a role that so requires (see further below, “**Training**” section of this Report).

#### **“BuyWays” User’s Guide**

The Holcim Groups procurement process is detailed in the “BuyWays” User’s Guide (“**BuyWays Guide**”). The BuyWays Guide standardizes the Holcim Group’s procurement policies and procedures across North America. The BuyWays Guide defines and explains procurement procedures, including due diligence, evaluation, and monitoring. The document describes methodology for the supplier’s qualification and performance evaluation processes as per minimum control standard, as well as outlines standards for implementing corrective actions and methods to monitor supplier’s deficiencies. The BuyWays Guide requires that its compliance standards be formalized in all contracts and purchase orders with the suppliers through contractual terms and conditions.



### **Code of Business Conduct for Suppliers**

Adopted by Holcim in 2015 and revised from time to time, including most recently as of 2021, the Holcim Group's Code of Business Conduct for Suppliers ("**Code of Conduct**") establishes the Holcim Group's commitment to sustainable procurement practices that meet high social, human rights, health, safety, and security standards. For more information, Holcim Group's sustainable procurement principles can be found on the [Sustainable Supply Chain](#) page of its website.

All Holcim suppliers are expected to adhere to the standards described in the Code of Conduct and to apply the same principles in their supply chain. The Code of Conduct is communicated to all existing and potential suppliers of the Holcim Group. The Code of Conduct establishes the Company's expectations of suppliers and the terms of engagement.

The Code of Conduct directly addresses Forced Labour risks and directs the suppliers not to use child labour or labour provided involuntarily under threat of penalty, including, but not limited to: forced overtime, human trafficking, slavery or servitude, debt bondage, forced prison labor in their supply chain. Where a supplier does not meet the requirements set out in the Code of Conduct, corrective improvement plans are to be established within a specified timeframe (depending on the severity of the issue) and Holcim will monitor progress. If significant issues arise or suppliers repeatedly and knowingly violate the present Code of Conduct, or their applicable code of conduct, and refuse to implement improvement plans, or where it is found that in the last three years, there have been any findings of Forced Labour made against the supplier by any court or industrial or employment tribunal or equivalent body, Holcim may seek to terminate the relationship with that supplier.

All Holcim suppliers are required to demonstrate compliance with the standards described in the Code of Conduct by taking part in the supplier qualification process. This process varies in part depending on the potential risk profile of the supplier but can include regular risk and performance evaluation in the form of third-party due diligence, self-assessments, fact-finding, or audits.

### **Due Diligence**

Holcim adheres to the Sustainable Procurement Management Standard ("**Standard**") developed by the Holcim Group. The Standard specifies how to identify and manage various supply chain risks and provides a structured approach for deploying responsible sourcing practices in the Holcim Group's supply chain. Under this Standard, Holcim requires all contractors, including suppliers, to abide by the Code of Conduct when working with Holcim. It is noteworthy that the Standard defines the scope of due diligence to be undertaken by a Holcim Group company in respect of supply chain risks, based on the risk level identified in respect of such company's region of operations. Holcim operates in a designated low-risk country. For high-risk suppliers and certain material suppliers, being those whose work is potentially hazardous in nature, Holcim undertakes a qualification process as set out by the Standard. Such a process starts with a pre-qualification review followed by periodic performance evaluations and monitoring, conducted annually at minimum, during the entire duration of the business relationship with such a high-risk supplier.

The qualification process encompasses several stages, including supplier prioritization, assessment, risk mitigation and performance improvement. Each stage is designed to identify (and eliminate) suppliers that may carry an unacceptable risk within our supply chain operations.

### **Supplier Assessment**

Holcim monitors supplier's compliance with the requirements of the Code of Conduct through self-assessment questionnaires, fact-finding, as well as field audits.

The self-assessment questionnaires are calibrated based on the risk threshold identified under the supplier prioritization stage of the analysis. The fact-finding process includes the collection of evidence on a supplier's compliance with the Code of Conduct, as well as documentation of any breaches. Field audits may be performed to confirm breaches and also for all new contractors providing services that have been classified as "high risk", as well as for suppliers of materials that are extracted from the earth through mining in countries or regions that have been identified as "high risk".

Assessment of performance may also be passed on and can include the gathering of information from internal systems and key internal users, meetings with the supplier, as well as evaluations of the supplier's activity.

### **Risk Mitigation and Performance Improvement**

In situations where Holcim identifies any instances of non-compliance with the requirements of the Code of Conduct, improvement plans are implemented to support the supplier's development. Such improvement plans are developed and calibrated based on the nature of the breach, as well as the risk tolerance level set in accordance with the Holcim Group's methodology. Holcim may terminate its relationship with non-compliant suppliers that conduct "zero tolerance" breaches, refuse improvement, or violate applicable laws and regulations.

### **Communication**

Holcim, as a member of the Holcim Group, are committed to upholding and promoting human and labor rights in all our operations, business activities, business relationships and in the communities where we work. Holcim Group publicly releases policies and procedures that govern the due diligence program. More information on Holcim Group's human rights assessment process and related publicly-made commitments and approaches can be found on the [Human Rights](#) page of Holcim's website.

### **Grievance Mechanisms**

Holcim offers an independent channel for all employees, as well as external stakeholders, including the suppliers, to raise questions and concerns about Holcim's business practices through its independent grievance platform, the [Holcim Integrity Line](#). Holcim respects the right of all employees and suppliers to speak up and raise grievances without fear of retaliation.

## **4. RISK OF FORCED LABOUR BEING USED AND REMEDIATION MEASURES**

Holcim is committed to assessing and addressing potential Forced Labour risks in its supply chain and to using appropriate measures to remediate any adverse effect identified. If any risk of Forced Labour is flagged through Holcim's due diligence processes, the Company takes steps to investigate and mitigate such risks.



Within the Reporting Period, Holcim has not identified any instances of Forced Labour in its activities and supply chains. Further, within the Reporting Period Holcim has not identified any instances of loss of income of the vulnerable families as a result of the steps Holcim has taken to eliminate risks of Forced Labour. For this reason, no remediation measures have been necessary.

## 5. TRAINING

Holcim currently provides ongoing training to its procurement professionals on Holcim Group's procurement processes, which, as described above, covers Forced Labour issues. Although this ongoing training is not mandatory, it is available at all times to all not only procurement employees but also other business professionals within the Company (and, as noted above, such training is also given at the time of onboarding for applicable employees). Webinars are also provided to all procurement teams that include reviewing updates and changes to sustainable procurement requirements. For example, during the Reporting Period updates were made to include a general discussion of recent modern slavery matters.

## 6. ASSESSING EFFECTIVENESS

As part of Holcim's governance processes, the Company monitors compliance with its policies on an ongoing basis. Holcim also reviews questions and concerns raised through its independent grievance platform, the [Holcim Integrity Line](#). To date, no significant concerns or complaints have been identified.

## 7. APPROVAL AND ATTESTATION

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Managers of Holcim Solutions and Products US, LLC.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Jamie Gentoso

Title: President

Date: May 29, 2024

Signature:

A handwritten signature in black ink that reads 'Jamie Gentoso', written over a horizontal line.

I have the authority to bind Holcim Solutions and Products US, LLC.