

3.2.1.2.23 Outsourced Activities

Change Release Communication May 2019
Valid from Jan 1, 2020 for all reporting events

Definition

Costs of services rendered by other parties (including other LafargeHolcim Group companies) for the execution of activities and where prices are directly based on volumes (e.g. outsourced quarry activities).

Outsourced Quarry Activities includes:

- Stripping
- Blasting
- Drilling
- Excavation
- Screening
- Transport of raw material to the crusher
- Crushing
- Loading
- Approaching process

Other Outsource Activities includes:

- Crushing
- Feeding
- Packing

Note that outsourced activities can only be considered as such if:

- No penalty is defined in the contract (e.g. if price does not change if less than the volume agreed on the contract will be used)
- The price is explicitly linked to the volume
- The contract is not based on a fixed volume

In all other cases, the services have to be considered as third party services.

Compulsory Sub-Type of Cost

- **Outsourced mining activities**
Costs of services rendered by other parties (including other LafargeHolcim Group companies) for the execution of activities strictly related to quarries, pits and mines. Drilling, Blasting, Excavation, Striping, Ripping, Dredging, Loading, Crushing,

Screening, On/Off-Road Hauling, Overburden related services, Waste Operations, Site restoration, Ancillary Services. Note: generic definition of outsourced activities apply.

3.2.1.2.23 Outsourced Activities

Change Release Communication May 2019

Valid until December 31, 2019

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Outsourced Quarry Activities includes:

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