

Modern Slavery Statement for the Financial Year 2021

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and constitutes ROCKWOOL Limited and the ROCKWOOL Group's statement for the financial year ending 31 December 2021. The statement describes the initiatives and considerations that ROCKWOOL Limited as part of the ROCKWOOL Group has taken to minimise the risk of slavery and human trafficking taking place in its supply chains or in the company.

ROCKWOOL Group structure and supply chain

The ROCKWOOL Group is a focused industrial company with leading positions in insulation, acoustic ceilings and horticultural growing media based on stone wool technology. ROCKWOOL Group companies operate under the trademarks ROCKWOOL, Grodan, Lapinus, Rockfon and Rockpanel. Group operations are focused on Europe, North America and Asia. The ROCKWOOL Group has 12,000 employees, operates out of 51 manufacturing facilities and has a presence in 40 countries. More information is available on www.rockwoolgroup.com.

The ROCKWOOL Group currently engages more than 10,000 suppliers worldwide covering a multitude of categories of goods and services. Suppliers vary from small local suppliers to large international suppliers supplying the Group on a worldwide basis. The ROCKWOOL Group total spend for 2021 was around €2,135m.

Policies relating to slavery and human trafficking

Our approach to human rights is guided by the ROCKWOOL Group Human Rights Commitment and ROCKWOOL Limited's Anti-Slavery and Human Trafficking Policy. We are committed to respecting human rights and sustainability and social issues as outlined in the United Nations Universal Declaration of Human Rights and the four pillars of the UN Global Compact: human rights, labour rights, environment and anti-corruption.

We oppose any kind of discrimination due to age, gender, race, colour, religion, political opinion, social origin, or any other aspects of human rights. Another right we take seriously is the right to exercise freedom of association and collective bargaining. We are opposed to child labour and do not use forced or compulsory labour or knowingly engage with business partners that do so. The ROCKWOOL Group expects suppliers to uphold similar standards and we expect suppliers to enforce these guidelines towards their suppliers. We continuously work to ensure that we conduct business in line with our policies.

The ROCKWOOL Group Code of Conduct and Whistle-blower Policy

The ROCKWOOL Group has a [Code of Conduct](#), which explicitly states its opposition to forced or compulsory labour and that it will not engage with business partners that use forced or compulsory labour. The Code of Conduct has been communicated internally and is publicly available on rockwoolgroup.com.

As a supplement to the Code of Conduct, the ROCKWOOL Group has a [Whistle-blower Policy](#), which encourages employees and third parties to report violations of the Code of Conduct and sensitive concerns. Reporting is possible via a dedicated website and via the ROCKWOOL Group whistle-blower app. Reports can be made in multiple languages and anonymously. All communication with the whistle-blower is encrypted and reporting is made in compliance with national data protection regulation and GDPR. In 2021 the ROCKWOOL Group did not receive any whistle-blower reports concerning the use of forced or compulsory labour in the supply chain.

Supplier due diligence process

The ROCKWOOL Group's commitment to respecting human rights is an integral part of its work with its suppliers. The ROCKWOOL Group Supplier Code of Conduct is an important part of that work, outlining the ROCKWOOL Group's expectation that suppliers respect the United Nations Universal Declaration of Human Rights and UN Global Compact (UNGC).

The ROCKWOOL Group acknowledges there is a risk connected with the categories and countries the ROCKWOOL Group is engaged with in terms of compliance with international, national and local laws and

guidelines relating to employment, environmental and manufacturing practices as well as ethics and bribery, particularly in relation to sustainable sourcing.

The ROCKWOOL Group has a specific Code of Conduct for Suppliers, which is in alignment with the overall Code of Conduct and reflects the Group's commitment in relation to the UNGC towards suppliers. The Code of Conduct is designed to mitigate risk by clearly stating the ROCKWOOL Group's expectations of its suppliers and the requirement for its suppliers to enforce the same guidelines within their supply chain.

In 2021 we initiated a project to assess and map our due diligence governance processes with a view to strengthening these. This work is continuing in 2022. For example, based on our work evaluating supply chain sustainability risks related to the UN Global Compact, we are developing a governance model and a risk monitoring and mitigation tool. These will augment the existing supplier due diligence tools for current and new ROCKWOOL Group suppliers.

Before being approved as a new supplier and as a pre-requisite to secure a formal contract with the ROCKWOOL Group, suppliers must register via an online supplier portal and answer questions relating to the ROCKWOOL Group's Code of Conduct for Suppliers. As part of this process, suppliers are required to confirm that they will comply with the United Nations Universal Declaration of Human Rights and the ten universal principles defined in the UN Global Compact. This also helps suppliers to understand ROCKWOOL's commitment to sustainability in general.

The ROCKWOOL Group accepts suppliers operating on their own code of conduct on a level equal or higher to that of the ROCKWOOL Group.

The ROCKWOOL Group is working on implementing a system for monitoring and assessment of suppliers with regards to the sustainability issues covered by the UN Global Compact and United Nations Universal Declaration of Human Rights. This system will support the ROCKWOOL Group in evaluating existing suppliers and choosing suppliers who show a commitment to sustainability which is at least equal to the Group's expectations of suppliers.

We can confirm that we did not identify any instances of slavery in our supply chains in 2021.

Risk assessment and management

A risk assessment on country level and category level of products and services has been carried out. The scope of the risk assessment covered every country where the ROCKWOOL Group operates as well as all products and services. The categories that have been identified as being high risk will be the first ones to be monitored in our monitoring system.

The governance for our monitoring process includes an escalation process which describes how an issue in the supply chain is managed and solved. Our aim is to develop and empower suppliers to act according to the UNGC, UNGP and the OECD guidelines and to ensure suppliers act in a responsible way in order to maintain their business with the ROCKWOOL Group.

Key performance indicators

In 2020, one of our goals was to proactively promote responsible sourcing within the business by recruiting a Sustainable Sourcing Manager. Responsibilities would include the development of KPIs to measure the effectiveness of the steps being taken to minimise the risk of slavery and human trafficking taking place in our supply chains. This position has been filled and work has commenced on strengthening our systems for monitoring and assessment of suppliers, as described above.

Training and capacity building

To ensure a high level of understanding of the risks of modern slavery and human trafficking in the ROCKWOOL Group's supply chains and its business, the ROCKWOOL Group provides training to its employees.

The ROCKWOOL Group Code of Conduct serves as ROCKWOOL's most important instrument to communicate and provide guidance on the Group's way of doing business. In 2021 around 4500 selected employees completed Code of Conduct e-learning which was supplemented by face-to-face training for a small group of employees not connected to the Group's learning platform. Consequently, employees from all Group companies have received the necessary training. New starters are required to complete the e-learning as part of their induction process to focus attention from the outset on the importance of the Code of Conduct.

Approved by the Board June 2022

Signed: 
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Title: **Managing Director, ROCKWOOL Limited**