

Modern Slavery Statement for the Financial Year 2022

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and constitutes ROCKWOOL Limited and ROCKWOOL Group's statement for the financial year ending 31 December 2022. The statement describes the initiatives and considerations that ROCKWOOL Limited as part of 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

ROCKWOOL Limited are a manufacturer of high-performing and sustainable insulation products for the construction industry. We are part of ROCKWOOL Group and our ultimate parent company is ROCKWOOL A/S headquartered in Denmark. 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.

ROCKWOOL Group operations are focused on Europe including the UK, North America and Asia. ROCKWOOL Group has approximately 12,200 employees, operates out of 51 manufacturing facilities and has a presence in 40 countries. More information is available on www.rockwoolgroup.com.

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.

Policies relating to slavery and human trafficking

ROCKWOOL Limited's approach to human rights is guided by the ROCKWOOL Group Human Rights Policy (which replaces ROCKWOOL Group's former Human Rights Commitment) and ROCKWOOL Limited's Anti-Slavery and Human Trafficking Policy. Respect for human rights is a fundamental value at ROCKWOOL Group, one that is reflected in both the materials the Group produces and the manner in which it operates. ROCKWOOL Group's aim is to help ensure the respect of human rights within the communities in which it operates. ROCKWOOL Group are committed to respecting human rights, 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.

In 2022, the Group strengthened its commitments towards human rights. This included:

- revising the ROCKWOOL Group Code of Conduct which all subsidiaries including ROCKWOOL Limited must adhere to;
- approving a dedicated Human Rights Policy replacing ROCKWOOL Group's former Human Rights Commitment; and
- creating the Group Sustainable Sourcing Manual that defines, communicates and documents our approach to sustainable sourcing.

These three key actions reflect the Group's commitment to acting ethically and with integrity in all its business relationships, and by implementing and enforcing effective systems and controls within the Group, this ensures slavery and human trafficking is prevented from taking place anywhere in the Group's supply chains.

These commitments enable the Group to better articulate its commitment to human rights throughout its operations and value chain, and provide the necessary framework so the Group can help ensure it is living up to internationally recognised standards and principles of protecting human rights and addressing inequalities, inequities, and discrimination.



ROCKWOOL Group expects suppliers to uphold similar standards and the Group expects suppliers to enforce these guidelines towards their suppliers. ROCKWOOL Group continuously work to ensure that all suppliers conduct their business in line with the Group's policies.

The ROCKWOOL Group Code of Conduct and Whistleblower Policy

The Code of Conduct is the overarching policy document for all employees in the ROCKWOOL Group and is owned by the Board of Directors. It explains the notion of integrity and what it means in ROCKWOOL. The Code of Conduct lists several key areas for ROCKWOOL Group, such as preventing corruption and bribery, use of gifts and hospitality, conflict of interest, competition and antitrust law, data privacy, money laundering, and confidential information. The Code of Conduct also details the principles for ROCKWOOL Group in relation to human rights and labour rights, the environment, health and safety. All employees in ROCKWOOL Group are expected to observe the highest level of integrity.

In 2022, ROCKWOOL Group strengthened its [Code of Conduct](#), to reflect its human rights commitments. The Code of Conduct has been communicated internally and is publicly available on rockwoolgroup.com.

As a supplement to the Code of Conduct, ROCKWOOL Group has a [Whistleblower 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 whistleblower app. Reports can be made in multiple languages and anonymously. All communication with the whistleblower is encrypted and reporting is made in compliance with national data protection regulation and GDPR. In 2022 ROCKWOOL Group did not receive any whistleblower reports concerning the use of forced or compulsory labour in the supply chain.

Supplier due diligence process

ROCKWOOL Group is committed to respect and promote the fundamental human rights of its employees, suppliers, and the communities in which it operates, in line with the UN Guiding Principles on Business and Human Rights. ROCKWOOL Group have been a member of the UN Global Compact since 2016 and reports on its progress annually.

ROCKWOOL Group acknowledges there is a risk connected with the categories and countries 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.

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 for Suppliers is designed to mitigate risk by clearly stating ROCKWOOL Group's expectations of its suppliers and the requirement for its suppliers to enforce the same guidelines within their supply chain. In 2022 ROCKWOOL Group initiated a revision of its Code of Conduct for Suppliers for approval in 2023 to reflect its commitment to safeguard human rights and support its environmental and climate ambitions across the Group.

In 2021 and 2022, ROCKWOOL Group carried out several activities to strengthen its due diligence governance and internal processes within human rights. As aforementioned, these activities included revising the ROCKWOOL Group Code of Conduct and approving a dedicated Human Rights Policy and Procedure replacing the former Human Rights Commitment. These key actions provide the necessary framework within which it can ensure compliance with internationally recognised human rights.

Before being approved as a new supplier and as a pre-requisite to secure a formal contract with ROCKWOOL Group, suppliers must register via an online supplier portal and answer questions relating to 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.

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

ROCKWOOL Group's goal is to have every on-board supplier sign the most recent version of its Code of Conduct for Suppliers. In 2021, around 76 percent of suppliers signed the Group's current version of the Code of Conduct for Suppliers and in 2022 this increased to 93 percent.



ROCKWOOL Group will undertake an annual risk assessment of its supply chains.

ROCKWOOL Group can confirm that it did not identify any instances of slavery in its supply chains in 2022.

Risk assessment and management

In 2022, ROCKWOOL Group also conducted a risk assessment to identify salient human rights risks in its own operations. Salient human rights issues are the human rights at risk of the most severe negative impact through the company's activities and business relationships. The risk assessment led to conducting two dedicated human rights assessments at our factories in Thailand and Malaysia. Among other things, ROCKWOOL Group investigated employment practices at these factories, actively engaging both with its own employees and contingent workers, i.e. those contracted to work for ROCKWOOL Group by agencies. As a result of these assessments, the Group implemented several corrective actions, including the development of new Group guidelines on temporary employees contracted by recruitment agencies.

ROCKWOOL Group is continuing to develop its supplier management processes in order to embed ROCKWOOL's approach to sustainable sourcing in its procurement work and to ensure conformance to the Code of Conduct for Suppliers. This process will include a tool where it can monitor its suppliers in terms of sustainability and other risk factors. This tool will also be utilised during the sourcing and qualification process of suppliers. This will enable it to take sustainability risks into account during the initial stages of the sourcing process. The tool will be piloted during 2023.



ROCKWOOL Group's commitment to human rights

- Supporting the UN Universal Declaration of Human Rights and the 10 principles defined in the UN Global Compact
- Conducting human rights due diligence through a dedicated due diligence process
- Identifying and preventing or mitigating impacts in its operations and value chain and to continuously improve its human rights approach
- Pursuing dialogue with potentially affected groups and other relevant stakeholders to prevent or mitigate impacts and remedy any direct impacts that it causes or contributes to.

Key performance indicators

During 2022 ROCKWOOL Group developed a governance manual in order to define, communicate and document its approach to sustainable sourcing. This document also describes how it escalates issues concerning human rights, environment, and other sustainability issues within its supply chains. This is backed up by the monitoring tool which will monitor its high-risk suppliers and countries in which it operates which are deemed as high-risk areas.

Training and capacity building

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

Our face-to-face training was expanded to include training of contract workers on human rights issues and policy. The Group will continue this practice in the coming years.

In 2022, ROCKWOOL Group incorporated its human rights commitments in the Code of Conduct training. Around 7,000 direct employees received face to face training on the Code of Conduct in 2022.

Further steps

Following a review of the effectiveness of the steps ROCKWOOL Group have taken to ensure that there is no slavery or human trafficking in its supply chains, the Group intend to further enhance its supplier management processes and guiding documents to define, control, communicate, and document ROCKWOOL's approach to sustainable sourcing and to ensure enforcement of a revised Code of Conduct for Suppliers. This process will include the tool to monitor suppliers in terms of sustainability and other risk factors and further risk assessment of suppliers.

Approved by the Board 12 July 2023

Signed:

A handwritten signature in black ink, appearing to be 'M. A.', written over a dotted line.

Title:

Managing Director, ROCKWOOL Limited