

## **Modern Slavery Statement for the Financial Year 2023**

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and constitutes ROCKWOOL Limited statement for the financial year ending 31 December 2023. The statement describes the initiatives and considerations that ROCKWOOL Limited in conjunction with its parent company, ROCKWOOL A/S located in Hedehusene, Denmark ("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 is a manufacturer of high-performing and sustainable insulation products for the construction industry. From its factory and offices based in Bridgend, South Wales to its national sales team, ROCKWOOL Limited has over 500 employees across the UK and Ireland.

ROCKWOOL Limited's parent company, the Danish-headquartered 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 operates under the trademarks ROCKWOOL, Grodan, Lapinus, Rockfon, Rockpanel, Flumrock, Heck and Fast.

ROCKWOOL Group's operations are focused on Europe including the UK, North America and Asia. The Group has approximately 12,200 employees, operates out of 51 manufacturing facilities and has a presence in over 120 countries. More information is available on [www.rockwoolgroup.com](http://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.

As a global player, ROCKWOOL Group is aware that its sourcing and procurement activities can have an impact on both human rights and the environment. ROCKWOOL Group co-operates closely with its suppliers and sees them as important players in the Group's common pursuit of a more sustainable supply chain.

As part of ROCKWOOL Group, ROCKWOOL Limited ensures it implements ROCKWOOL Group policies and procedures in its own policies, day to day business practices and its local supply chain.

### **Policies relating to slavery and human trafficking**

ROCKWOOL Limited's approach to human rights is guided by the ROCKWOOL Group Human Rights Policy 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 and this is achieved via the procedures, tools and mechanisms put in place by ROCKWOOL Group. ROCKWOOL Group is committed to respecting human rights, sustainability and social issues as outlined in the United Nations Universal Declaration of Human Rights and the 10 principles defined in the UN Global Compact relating to human rights, labour, environment and anti-corruption.

ROCKWOOL Group commits to respect all internationally recognised human rights as proclaimed in the International Bill of Human Rights, including the United Nations' Universal Declaration of Human Rights (UDHR), as well as the 11 fundamental Conventions of the International Labour Organisation (ILO) and the ILO Declaration on Fundamental Principles and Rights at Work.

ROCKWOOL Group endorses and strives to embed the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises throughout its business and encourages its partners and suppliers to do the same when working with the Group. ROCKWOOL Group's approach to human rights is an integrated part of the ROCKWOOL Code of Conduct. In addition to the commitments made by ROCKWOOL Group in 2022, the Group has continued to strengthen its sustainable sourcing practices by implementing a further two initiatives:

1. implementing a revised Code of Conduct for Suppliers; and
2. implementing a risk management platform for its supply chain business partners which consists of a tool for sustainability risk monitoring within the supply chain.

The Code of Conduct for Suppliers was updated to integrate additional requirements and expectations towards human rights and environment within the areas of child and forced labour, labour rights, health and safety, decarbonisation, bribery and corruption and the whistleblower system. The Code of Conduct for Suppliers allows for the investigation of suppliers through questionnaires, onsite pre-agreed sustainability internal audits and/or through independent third-party accredited auditors.

In 2023, ROCKWOOL Group successfully piloted a cloud-based sustainability risk management tool that is used for monitoring its suppliers and performing further sustainability risk assessments.

These commitments enable ROCKWOOL Group to better articulate its commitment to human rights throughout its operations and value chain, and provide the necessary framework so that it, and its subsidiaries including ROCKWOOL Limited, 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 enforce these guidelines towards their own suppliers. ROCKWOOL Group continuously works 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 ROCKWOOL Code of Conduct is the overarching policy document for all employees in ROCKWOOL Group, including those employed in ROCKWOOL Limited, 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, including all its subsidiaries, 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, and its subsidiaries, are expected to observe the highest level of integrity.

ROCKWOOL Group has 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](https://rockwoolgroup.com).

As a supplement to the Code of Conduct, ROCKWOOL Group has a Whistleblower Policy, which encourages all employees, including those of its subsidiaries 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 2023, 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 respecting and promoting the fundamental human rights of its employees, suppliers, and the communities in which it operates, in line with the International Bill of Human Rights including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. ROCKWOOL Group has 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 human rights, environmental issues and manufacturing practices as well as ethics and bribery, particularly in relation to sourcing and procurement.

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 2023, the Code of Conduct for Suppliers was approved and is now active for the on-boarding of potential new suppliers. The Code of Conduct for Suppliers is also in the process of being distributed to existing suppliers.

In 2021, 2022 and 2023, 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 replacing the former Human Rights Commitment. In 2023 a draft Group Human Rights Manual - Forced and Child Labour has been developed and its approval process is currently in progress. 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 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 Group's commitment to sustainability in general.

ROCKWOOL Group's goal is to have every on-boarded supplier to sign the most recent version of its Code of Conduct for Suppliers.

ROCKWOOL Group takes a risk based approach in order to identify supply chains where the likelihood of violations against human rights, the environment and other sustainability issues are high. We therefore undertake an annual risk assessment of our supply chains. This includes an evaluation of categories and countries where we operate or source products and services from.

ROCKWOOL Group can confirm that it did not identify any instances of slavery in its supply chains in 2023.

## **Risk assessment and management**

ROCKWOOL Group is committed to avoid causing or contributing to adverse impacts on people in its operations, supply chain, business relationships, and in the communities where it operates. ROCKWOOL Group has a heightened focus on its salient risks, which include discrimination, child and forced labour, safety and health

together with employment and working conditions.

ROCKWOOL Group developed its supplier management processes in order to embed ROCKWOOL Group's approach to sustainable sourcing in its procurement work and to ensure conformance to the Code of Conduct for Suppliers. This process included a tool where it can monitor its suppliers in terms of sustainability and other risk factors. This tool has also been 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 was successfully piloted in 2023 where we implemented monitoring of suppliers in two High Risk Categories including some Tier 2 and Tier 3 suppliers. In 2024, ROCKWOOL Group will further deploy this tool, taking a risk-based approach when selecting new categories to onboard.

### **ROCKWOOL Group's commitment to human rights**

- Supporting the International Bill of Human Rights including 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 own 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
- Disclosing its approach to due diligence and its efforts to mitigate salient impacts in its annual group report

### **Key performance indicators**

ROCKWOOL Group has 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.

As a part of the result of ROCKWOOL Group's annual revision of its risk assessment of categories, ROCKWOOL Group has decided to pay further attention to categories where the risk of human rights violations are the highest.

### **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, including its subsidiaries.

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

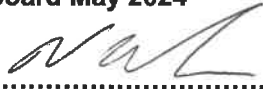
Training regarding the new expectations and requirements for suppliers is being conducted for all category managers, sourcing managers and other staff engaging with suppliers. From the beginning of 2024, all new suppliers with whom we intend to sign a contract will receive the revised Code of Conduct for Suppliers. ROCKWOOL Group will strive for 100 percent signature of the revised Code of Conduct for Suppliers by high-risk suppliers.

**Further steps**

Following a review of the effectiveness of the steps ROCKWOOL Group has taken to ensure that there is no slavery or human trafficking in its supply chains, ROCKWOOL Group further enhanced its supplier management processes and guiding documents to define, control, communicate, and document ROCKWOOL Group's approach to sustainable sourcing and to ensure enforcement of its revised Code of Conduct for Suppliers. This process includes the tool to monitor suppliers in terms of sustainability and other risk factors and further risk assessment of suppliers. During 2024, ROCKWOOL Group will pilot a supplier questionnaire system to have the possibility to perform a further investigation of possible high-risk suppliers.

As mentioned above, ROCKWOOL Group is also in the process of approving a draft Group Human Rights Manual.

**Approved by the Board May 2024**

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

