



# UK Modern Slavery Statement

## Introduction

This statement has been published in accordance with §54 of the UK Modern Slavery Act 2015. The statement is an overview of the steps that Cembrit Holding A/S has taken to ensure that modern slavery and human trafficking is not taking place within our business and our supply chain. At Cembrit we strive to promote a working environment characterised by respect, fairness, equality, and where fundamental employee rights are protected and promoted. Furthermore, we strive to uphold our reputation as a company with a high level of integrity and trustworthiness.

In 2016 we initiated several activities in order to live up to these standards.

- We developed and implemented a new Code of Conduct, and
- We took steps to develop a Business Partner Policy, a Human Rights Policy, and a Supplier Code of Conduct - these will be finalised in 2017

Together these documents form our framework of measures to prevent modern slavery, including forced labour and human trafficking, from occurring within any part of our business and supply chain.

## About Cembrit – ‘Building Better Days’

Cembrit is a leading pan-European manufacturer and distributor of fibre-cement based products with factories in four European countries.

We employ 1,100 people in more than 15 European countries and have distributors operating worldwide.

## Our Policies on Modern Slavery

Cembrit is a firm believer in the Bill of Human Rights and the eight fundamental Conventions of the International Labour Organisation. Consequently, we are developing a number of internal policies reflecting our commitment to respect human rights and combat modern slavery in all parts of our business.

Our Code of Conduct was released in May 2016 and will, based on commonly agreed ethical standards, guide the behaviour of employees and stakeholders doing business with or on behalf of Cembrit.

Supporting our Code of Conduct, as well as our efforts to do business in the most responsible and transparent of ways, a Human Rights Policy, a Business Partner Policy and a Supplier Code of Conduct are currently under development.

Once implemented, these policies will further support the respect of ethical business practices in general and human rights in particular.



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## Risk Assessment and supply chain due diligence

Cembrit works with partners and suppliers who operate in various legal and cultural contexts throughout the world. However, we always strive to find and work with business partners who conduct themselves in ways consistent with Cembrit's own values and standards.

As such, we explicitly expect that business partners do not use compulsory or forced labour nor child labour in any of their operations as stated in our Code of Conduct. Moreover, we expect suppliers to ensure that their sub-suppliers are acquainted and compliant with the principles expressed in our Code of Conduct as well as other relevant internal policies.

We have a number of processes and procedures in place to ensure that slavery and human trafficking risks are identified, assessed and addressed:

- New business partners are screened to ensure they do not figure on any sanction lists.
- Business partners for whom sanctions are checked must have contracts and be risk assessed by means of an internal questionnaire.
- Contracts include a paragraph referring to the Cembrit Code of Conduct.
- The risk assessment results in a risk rating which determines whether certain procedures must take place in advance of contracting with the potential business partner.
- We use three different risk ratings: low-risk category business partners do not require further due diligence, medium- or high-risk entities require certain due diligence procedures to take place.
- Included in the scope of this due diligence procedure are matters pertaining to human rights and labour.
- Business partners will be re-screened every two years in terms of due diligence.

## Training of employees

We spend significant resources on training programmes in order to ensure that internal policies and procedures are adhered to by our employees. Such programmes include e-learning training and information on human rights risks as well as training and information on how to best implement the Cembrit Code of Conduct.

## Approval

This statement was approved by the Board of Directors of Cembrit Holding A/S.

Martin Jermiin, President & CEO