

Modern Day Slavery Statement

Knauf UK GmbH and the Knauf Group recognise our moral and ethical responsibilities to do all that we can to ensure that our business and supply chain is slavery free. As a global company with a global footprint in terms of employees and supply chain, Knauf recognises that modern slavery and human trafficking is a serious global issue and affects all industries and sectors. We have policies and processes in place to prevent this directly within our organisation and we will continue to review our engagement with our supply chain to work towards tackling modern slavery, throughout our supply chains.

This statement sets out the actions that we have taken to understand modern slavery risks related to our business, and the steps we will look to implement to prevent slavery and human trafficking during January to December 2021.

Structure and business organisation

We are a global manufacturer of gypsum based construction products; plasterboards and plasters, and we also supply merchandise to the construction industry and related sectors. We are a part of the Knauf Group and our ultimate parent company is Knauf GmbH, which has its head office in Iphofen, Germany. As Knauf, we have over 20,000 employees worldwide, operate in more than 77 countries.

Supply chains

The Company purchases various types of gypsum including Flue Gas Desulphurised (FGD), recycled and natural gypsum, paper and basic chemicals as the main ingredients of its products, as well as packaging materials and small quantities of speciality chemicals. Our supply chains are therefore in the large scale power generation industry (for our FGD gypsum), quarries and large-scale waste reprocessing, and the industrial chemicals sector.

For the Company's gypsum based products all recovered waste materials are sourced from recovery operations within the UK, while other gypsum is sourced from the UK and EU Countries. All other raw materials are sourced from suppliers in the UK and/or European region. Polystyrene for our foam laminated products is purchased from global petrochemical businesses.

We aim to establish a relationship of trust and integrity with our suppliers, building on mutually beneficial factors. Our supplier selection process involves due diligence of the suppliers respect for the law, compliance with health, safety and environmental standards. We are also certified to BES 6001 Responsible Sourcing of Construction Product.

Knauf will never knowingly tolerate slavery or forced labour. No one shall be required to perform forced or compulsory labour for or on behalf of Knauf or its partners. During 2020 we were not made aware of any allegations of human trafficking / slavery activities against any of our suppliers, but if we were, then we would act immediately and work with our supplier and any necessary authorities to eliminate.

Slavery and human trafficking

This policy confirms Knauf is committed to ensuring that there is no modern slavery or human trafficking in any part of its business or its supply chains. Knauf operates the following policies for preventing human slavery and trafficking in our operations:

- Whistleblowing policy; we encourage all employees, customers and suppliers to report any suspicions of human slavery without fear of retaliation managed through our Code of Conduct
- The Knauf Code of Conduct reflects our commitment to acting lawfully, ethically and with integrity in all our business relationships
- Human Resources; our Recruitment Policy demonstrates our commitment to ensuring all our employees have the right to work and our approach to human slavery and trafficking.
- Supply chain; we request information from our suppliers regarding their approach to Modern Slavery, and would work with our suppliers in the event of any concerns identified.

Due diligence processes for slavery and human trafficking

The Company's assessment suggests that the risks of slavery and human trafficking taking place in our supply chains are relatively low. We are, however, not complacent. Over the past year we have been implementing a process of due diligence.

We have currently:

- Reviewed and amended our standard terms of business and supplier qualification with the Company's supply chain and contractors, to ensure compliance with the Modern Slavery Act 2015
- Our key risk areas include; transport of our goods which is managed through a third party and agency workers, and waste management companies, we have brought this to the attention of our providers through new contractual arrangements and will monitor their response during 2021.
- Continued to manage the risks of Modern Slavery in recruitment of our permanent and fixed term staff, detailed in our Recruitment Policy.
- Provided our statement to customers and to internal staff through our website and internal intranet
- Evaluated the options for undertaking ethical audits of our supply chain

Our Senior Leadership Team has overall responsibility for compliance with the Act, and review progress and any concerns bi-annually at the Compliance Review.

Combating Slavery and Human Trafficking during 2021

We also plan further measures before the end of the 2021 financial year to reinforce our due diligence processes. In particular, we will:

- Review our options for undertaking ethical audits of our supply chain, which may include third party assessment
- Conduct a risk assessment of our supply chain taking into account; the risk profile of individual countries based on the Global Slavery Index, services rendered by suppliers and presence of vulnerable demographic groups.
- Evaluate the options for training to relevant members of staff to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business;
- Share this statement with all our staff through internal procedures, raising awareness of modern slavery and human trafficking. We will develop an appropriate training model, based on awareness and e-learning for our employees in 2020.
- Engage and work with those suppliers or contractors who identify modern slavery, or believe there is a risk to them or their supply chain from modern slavery in order to eliminate.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Slavery and Human Trafficking Statement for Knauf UK GmbH for the financial year ending 31st December 2020.



**Managing Director
Knauf (UK) GmbH
30th June 2021**