



## SAINT-GOBAIN UK & IRELAND MODERN SLAVERY STATEMENT 2017

This statement details the policies and procedures in place and the actions taken by Saint-Gobain UK and Ireland to reduce the risk of modern slavery and human trafficking within its supply chains and the businesses themselves. This document is published in accordance with the Modern Slavery Act 2015 and relates to the year ending December 2017.

### **About Saint-Gobain**

*Saint-Gobain designs, manufactures and distributes materials and solutions which are key ingredients in the wellbeing of each of us and the future of all. They can be found everywhere in our living places and our daily life: in buildings, transportation, infrastructure and many industrial applications. They provide comfort, performance and safety while addressing the challenges of sustainable construction, resource efficiency and climate change. The Group is present in 67 countries and employs more than 170 000 people.*

### **Saint-Gobain values and commitments**

The Saint-Gobain Group has been a signatory to the UN Global Compact since 2003, committed to respect the ten principles including Principle 4: the elimination of all forms of forced and compulsory labour. These are aligned to the Group's Principles of Conduct and Action that explicitly include workers health, safety and employment rights. The Group's Principles of Conduct and Action specifically refer to, and are informed by, ILO conventions, in particular the convention on fundamental labour rights ensuring the promotion of fundamental values such as "abolishing forced or compulsory labour", OECD guidelines, and the International Bill of Human Rights

Since 2009 the Group has pursued an extensive programme to educate and train its employees on the Principles of Conduct and Action and their centrality to the way the Saint-Gobain Group does business. The Principles are displayed to all employees. Adherence to these principles is a requirement for belonging to the Saint-Gobain Group. Each management level (company, business unit, Delegation or Sector) carries its own responsibility for ensuring that these principles are applied. A Whistleblowing system is implemented to allow employees to report any violations of applicable laws, internal rules and procedures, and the Principles of Conduct and Action. All reports are processed, investigated as applicable, and when justified, appropriate measures are taken. An annual report on incidents involving forced or mandatory labour is published and available in the Registration Document ([www.saint-gobain.com](http://www.saint-gobain.com)). In 2017, Saint-Gobain Group reported zero incidents.

In addition, Saint-Gobain established in 2017 a duty of vigilance plan integrating a global due diligence on human rights. The scope of the plan includes the Group's activities all over the world, the contractors and the direct suppliers.

The plan is publicly disclosed and communicates the risks mapping, the action plans to mitigate the risks and an evaluation of the efficiency of the measures. Forced labour is a human rights specifically identified to be taken into consideration in the purchasing processes to ensure the highest standards are applied to our supply chains.



Saint-Gobain UK and Ireland will continue to build upon this approach and involve HR and purchasing teams to undertake potential additional training on modern slavery with a specific focus on identification of issues and reacting to concerns, both within its organisation and in the supply chain.

### The Supply Chain

Saint-Gobain UK and Ireland's supply chain is very broad with more than 25,000 first tier suppliers from 46 countries. To focus the management of this complex supply base this is sub-divided into two top level categories, specifically:

- **Trade products** – goods for resale in distribution businesses, these are managed by the category management teams within the Building Distribution Sector.
- **Non-trade** products and services – raw materials/components used in the manufacture of finished products, office/engineering supplies, professional services, support services (e.g. cleaning, temporary labour, etc.) which are managed by the purchasing functions of the businesses.

In accordance with the Group process described on the first page of this document and the categories of supply described above, the businesses have procedures in place to identify, react to and minimise the risks present in the supply chain.

#### ➤ Trade Products

The approach to supply chain management is driven by the central category team of our Building Distribution businesses, through our global and national strategic supply relationships, the current approach is:

Stage	Key activities
Stage 1	Supplier acceptance of the <a href="#">Saint-Gobain Building Distribution Supplier Charter</a> , which highlights the standards required from suppliers, to which acceptance is expected for each contract period.
Stage 2	Assessment via an online audit which evaluates suppliers' corporate social responsibility credentials and systems.
Stage 3	Supplier specific follow up and action plans are developed based upon the results of Stage 2.

At the same time, risk mapping is undertaken and the Building Distribution Sector performs systematic audits of supplier factories. The purpose of these factory audits is to assess the management systems in place and the environmental, social and legal aspects of the production activities. After the audit the supplier receives a report as well as recommendations for compliance which includes an expected completion date or paths for improvement.

#### Oversight for specific trade product risk areas

To complement its Responsible Purchasing policy, certain categories of purchases comprise specific environmental, social, human rights or legal risks. Having identified these risks, Saint-Gobain is undertaking an adapted protection action plan incorporating



rolling this tool out through an online platform and for it to become a compulsory part of the purchasing process for suppliers operating in these particular areas. The results from the online assessments audits will also be used to inform and focus the businesses follow up onsite audits.

Training is another key priority to help reduce the risk of modern slavery in its operations. During 2017 Saint-Gobain UK and Ireland developed an interactive, multi-media training program in order to raise awareness of the issue, help our staff to spot the risk indicators and inform them of the correct routes to report any concerns or risks they may identify. This training is now compulsory for all HR and purchasing staff in the UK and Ireland and to date over 200 employees (92%) have completed the module. In 2018 it is intended that this training will be rolled out to managers with direct responsibility for recruitment and also made openly available to all employees.

### **Taking the lead**

Saint-Gobain UK and Ireland is taking a lead role in the UK construction sector to address the issue of Modern Slavery, by working with Stronger Together as a partner on their "Tackling Modern Slavery in the Construction Sector" initiative. Stronger Together is a multi-stakeholder initiative aimed at reducing modern slavery; they provide guidance and resources to help businesses reduce the risk of modern slavery in both their own operations and their supply chains. As part of this partnership Saint-Gobain UK and Ireland will be hosting industry specific training courses to raise awareness of the issue, with these courses open to anyone with the construction sector, but specifically targeting its own customers. In addition, Saint-Gobain UK and Ireland's Director of Purchasing and Sustainable Sourcing represents Saint-Gobain at the working group which will also help develop a procurement tool kit to support other companies in the sector in reducing the risk of exploitation.

For further information on our approach and to view key figures on responsible purchasing published by Saint-Gobain Group please visit: <https://www.saint-gobain.com/en/press/corporate-publications>

Mike Chaldecott - 15<sup>th</sup> March 2018