

Modern Slavery Statement

Armacell is the world leader in the market for flexible technical insulation materials with its main brand Armaflex. As a manufacturer of insulation products Armacell understands its responsibilities and is committed to ensure that slavery and human trafficking does not occur within its supply chain or within our company itself. This statement outlines the systems and processes in place to avoid complicity in human rights violations.

Organisation's structure and supply chain

Armacell UK Ltd are manufacturers of elastomeric & polyethylene foam insulation for use on building services equipment. Armacell UK Ltd is based in the UK, with European headquarters in Germany. We employ 130 people in the UK across various departments, such as manufacturing, supply chain, finance and sales. Armacell UK Ltd mainly operates within the UK & European markets. The global Armacell group has an annual turnover approximating to €603 million.

Our supply chain is predominantly based in the EU, with the supply of raw materials for the manufacture of our key production line, elastomeric and polyethylene foam insulation.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

The Code of Conduct states that we comply with applicable laws and regulations in every country we do business. It also outlines our commitment to the core values of Customer Experience, Commitment, Empowerment and Accountability, Integrity and Sustainability. Armacell Code of Conduct can be found online at the link below:

<http://corporate.armacell.com/en/about-armacell/values/>

Since 2006 the Armacell group is a sustainable member of the UN Global Compact. The UN Global Compact is a strategic initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

Based on Armacell's commitment to the UN Global Compact, we have established the Armacell Supplier Code of Conduct that provides the conduct for which we expect our suppliers to adhere to. This stipulates that:

- Suppliers' shall operate in full compliance with the laws of their respective countries and with all other applicable laws, rules and regulations.
- Suppliers shall employ only workers who meet the applicable minimum legal age requirement. Suppliers must also comply with all other applicable child labour laws.
- Suppliers shall not use any indentured or forced labour, slavery or servitude.
- Suppliers' shall set working hours, wages and over-time pay in compliance with all applicable laws. Workers shall be paid at least the minimum legal wage or a wage that meets local industry standards.

Due diligence processes for Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk Armacell UK Ltd undertake risk assessments on all suppliers, requiring them to complete written supplier questionnaires to ensure that their business have anti-slavery policies and processes in place that are enforced to make sure that they are compliant with human rights laws. This is to be signed off by the supplier's management.

Armacell requires suppliers to allow its representatives to access its facilities or relevant records associated with the products or services it provides to Armacell. We have in place systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistle blowers.

Supplier adherence to our values

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we have in place a supply chain compliance programme. We have a dedicated compliance team, which consists of representatives from the following departments:

- Audit and compliance
- Human resources
- Procurement
- Sales

If the supplier does not comply with the Armacell Supplier Code of Conduct, we require the supplier to implement a corrective action plan to remedy the non-compliance within a specified time period. If the supplier fails to meet the corrective action plan commitment, Armacell may terminate the business relationship.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training on legal compliance, anti-corruption and alike to our staff.

Our effectiveness in combating slavery and human trafficking

The organisation reviews its key performance indicators (KPIs) in light of the introduction of the Modern Slavery Act 2015. As a result, our supply chain department and HR professionals act with due diligence, assessing all our suppliers with a ranking within a suppliers database and ensuring our supply chain adheres to legal requirements and company policy.

Further steps

We continue to raise awareness of the Modern Slavery Act and company code of conduct ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking:

- train new staff on the principles of the Modern Slavery Act 2015;
- ensure employers can identify and prevent slavery and human trafficking, encouraging them to highlight any issues with the relevant parties within the organisation.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Armacell's slavery and human trafficking statement.



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Date: 11.12.2018