



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 66 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). In 2015, Saint-Gobain Group reported zero incidents.

In addition to the general commitment, the Group has a Charter for its Purchasing professionals to abide by and undertakes training to ensure clear understanding and implementation.

Since 2012, a Supplier Charter has been introduced that is a requirement for Suppliers, who are asked to sign the Charter, with specific reference to the elimination and rejection of forced labour. The Group implements a Responsible Purchasing Policy to control and reduce environmental, social and societal risks to its supply chain. It includes three phases:

- Risk mapping including risks of forced labour
- Assessment of suppliers to classify risks
- Development of common progress plans with suppliers.

This general framework is adapted by the operational teams as a function of specific aspects of trade and non-trade purchases, and includes the development strategy for long-term supplier partnerships.



More details about Saint-Gobain commitments are available on www.saint-gobain.com

Saint-Gobain UK & Ireland statement

Saint-Gobain in the UK and Ireland includes some of the best-known and respected businesses in the construction sector including: British Gypsum, Jewson, Graham, Weber, Isover, Celotex, Glassolutions, Saint-Gobain PAM, and Ecophon. Together they offer a range of high performance energy-saving products and solutions to help create great living places and improve daily life.

Saint-Gobain UK & Ireland employs over 17 000 people.

For more information on Saint-Gobain UK & Ireland, visit www.saint-gobain.co.uk

Saint-Gobain UK & Ireland does not have a separate policy for modern slavery as the intentions of the Modern Slavery Act are in complete alignment with the values of the Group and as such the intentions of the Act are included in many of our existing policies and procedures, the most relevant being:

- Principles of Conduct and Action
- Purchasers Charter
- Suppliers Charter
- Whistleblowing Policy

Saint-Gobain UK and Ireland recognises that as a major employer, the risk of modern slavery exists within our own operations and that we have a duty of care to ensure that our own employees do not fall victim to modern slavery and labour exploitation.

Saint-Gobain UK & Ireland already has robust HR policies and procedures in place to ensure that all employees have the right to work, this offers a degree of protection against exploitation and we will continue to develop our internal processes to identify those at risk within our business.

Saint-Gobain has already several training programs in place, all managers are required to complete an on-line training module that clarifies and explains the Principles of Conduct and Action of the Group, these are further reinforced during the annual appraisal process for all staff.

The Group has the objective to have 100% of its' new managers to have taken the on-line training module in the 1st year of their employment.

Reporting on training key figures are available on <https://www.saint-gobain.com/en/press/corporate-publications>

In addition to this, all procurement professionals are required to complete courses on responsible sourcing, the focus of these sessions is on how the values of the Group are to be taken into consideration in the purchasing processes to ensure the highest standards are applied to our supply chains.

Saint-Gobain UK & 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 our organisation and in the supply chain.



The Supply Chain

Saint-Gobain UK & Ireland's supply chain is very broad with more than 26,000 first tier suppliers from 46 countries; in order to focus the management of this complex supply base we sub-divide this into 2 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 in the 1st part of the document and the categories of supply, 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 Saint-Gobain Building Distribution Supplier Charter , which highlights the standards required from our suppliers, to which acceptance is expected for each contract period.
Stage 2	Assessment via an on-line 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 which is to specifically assess their management system 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, with the expected completion date or paths for improvement.

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 dialogue with the stakeholders involved. Timber-based and Natural Stone products are subject to specific attention.

For timber, Saint-Gobain Building Distribution published a policy in 2007 that integrates a commitment to protect local population. Greater precautions are taken when purchasing products originating from tropical regions.

For natural stone products, a specific action plan is in place including supplier validations with the support of recognized third-parties.

Key figures on responsible trade purchasing are published by Saint-Gobain Group: <https://www.saint-gobain.com/en/press/corporate-publications>



➤ **Non- trade products & services**

The approach to supply chain management is managed by the purchasing function, and implemented both centrally and in the individual business units depending on the extent of the supply contract/relationship. The existing approach is:

Stage	Key activities
Stage 1	Acceptance of Saint-Gobain Group Supplier Charter , which highlights the standards required from our suppliers, to which acceptance is expected for all suppliers >€100k and recommended for all other suppliers.
Stage 2	Assessment via an on line audit to evaluate suppliers corporate social responsibility credentials and systems, utilising Ecovadis methodology
Stage 3	Social Audit on site are managed and supplier specific follow up and action plans developed based upon results of assessment or on site audits

In addition to this process, Saint-Gobain UK & Ireland identified certain services (cleaning and janitorial, security, temporary labour, temporary drivers and sub-contract labour in quarries) as a specific risk area.

The inherent risk of this category, has led Saint-Gobain UK & Ireland to set up a working group to specifically tackle this area of risk. The focus of the working group will be to ensure that all suppliers in these areas are compliant with the standards that the Saint-Gobain UK & Ireland would apply to our own businesses/employees and that the suppliers utilise best practices to reduce the risks within their business and their supply chains.

For 2016, the working group will be developing a process for risk assessment, audit and improvement with suppliers in these sub-categories.

Key figures on responsible trade purchasing are published by Saint-Gobain Group:
<https://www.saint-gobain.com/en/press/corporate-publications>

As part of our commitment to continuous improvement, a review of policies and practices will occur in 2017.

Michael Chaldecott
General Delegate
1st December 2016