



## **MODERN SLAVERY STATEMENT OF SIG**

SIG plc is the parent company of the SIG group ("SIG"). Pursuant to s.54 of the Modern Slavery Act 2015, this statement constitutes SIG's slavery and human trafficking statement ("Modern Slavery Statement").

SIG plc (the "Company") and its subsidiaries (together the "SIG Group" or "Group") have a zero tolerance approach to any form of modern slavery and we are committed to acting in an ethical manner and with integrity and transparency in our business dealings. This statement outlines the steps taken by the SIG Group in the financial year ending 31 December 2018 to ensure that slavery and human trafficking are not taking place within any part of our business or within our supply chains. This statement is made on behalf of SIG plc and its subsidiary, SIG Trading Limited, each of which supply goods and services in the UK and have an annual turnover greater than £36m.

The Modern Slavery Act 2015 ("the Act") prohibits slavery, servitude, forced or compulsory labour and human trafficking ("Modern Slavery"). SIG is committed to combatting all forms of Modern Slavery that could in any way be associated with our business and supply chain.

### **About SIG**

SIG is a leading supplier of specialist building products to trade customers across Europe. It maintains a strong position in its core markets as a specialist distributor of insulation and interior products, a merchant of roofing and exterior products and a Pan-European provider of air handling solutions.

The majority of the products SIG distributes have been manufactured by other companies. SIG also fabricates bespoke products "in-house". SIG's largest markets are the UK and Ireland, France and Germany, which together account for around 85% of sales. SIG companies also operate in Poland, Belgium and the Netherlands. In 2018 the SIG Group had an annual total turnover of £2.7bn. Further information on SIG's structure can be found [here](#).

SIG's product range and list of suppliers is extensive. More information can be found on SIG's products [here](#) and many of its key UK based suppliers [here](#).

### **Policies in relation to Modern Slavery**

SIG is committed to acting ethically and with integrity in all of its business dealings and relationships, and continues to take appropriate and proportionate steps to ensure that Modern Slavery does not occur in any part of its business or in its supply chains.

During the year, in order to increase awareness of our standards and expectations amongst our colleagues, we issued a new Code of Conduct across the Group. Our new Code emphasizes our obligation to comply with all applicable local laws, legislation and regulations in all of the

countries in which we operate. Through the Code, employees are reminded that we have a zero tolerance approach to any form of Modern Slavery. Colleagues are also reminded that we respect and aim to protect the human rights of everyone associated with SIG and that we aim to avoid any violation of human rights. We expect all employees to take responsibility in upholding these standards when considering any third party associations, for example customers, suppliers or contractors.

The Code also stipulates that SIG will ensure that all employment is freely chosen, that wages and working conditions are fair and that we adhere to all legal minimum age requirements in our operating countries. Employees are advised to make their line managers aware of anything which might amount to Modern Slavery or alternatively to report their concerns to the HR team or through our whistleblowing procedure.

SIG has a number of policies which additionally apply on a Group-wide basis. Some key policies and related principles are noted below:

- Our Ethical Trading and Human Rights Policy set key principles for SIG and its business partners. SIG commits to avoid violation of human rights, either directly or indirectly, to operate in accordance with the Universal Declaration of Human Rights and to take account of other internationally accepted human rights standards.
- Our Corporate Responsibility Policy provides that SIG will work to ensure that the welfare of workers and the labour conditions within our supply chain meet or exceed recognised standards.
- Our Whistleblowing Policy encourages reporting of genuine concerns about malpractice, illegal acts or failures to comply with recognised standards of work without fear of intimidation or victimisation. It applies to all employees and other stakeholders, including suppliers and customers.

Our Diversity and Equal Opportunities Policy, which applies in the UK, recognises the value we place on a diverse workforce and the contribution of all employees in our Group. The policy emphasises that we do not tolerate discrimination in any form and that we are committed to providing all employees with equal opportunities regardless of race, religion, gender, sexual orientation, disability, age or political beliefs.

Although the Act does not apply to the Group's businesses outside the UK, SIG has adopted an overall Group approach to this issue and this policy statement applies to SIG businesses outside the UK to the greatest extent practicable.

Copies of our Code of Conduct, the above policies and the Modern Slavery Statement for the years ended 31 December 2016 and 2017 can be found [here](#).

SIG businesses with supply chains linked to forestry also subscribe to a Chain of Custody Policy. The Policy is aimed at implementing chain of custody requirements in accordance with the standards of the Forestry Stewardship Council and Programme for the Endorsement of Forest Certification. A copy of that policy is [here](#).

## **Steps taken to address Modern Slavery risk**

Underlying processes vary from country to country. In respect of SIG's UK operations and supplies of materials and products into the UK, the following steps have been taken:

#### *Supplier audits and risk assessments*

SIG processes require initial onsite audits of suppliers from outside the EU and many suppliers within the EU. We have also appointed a third party to review and audit our suppliers from outside of the EU. Suppliers who fail to meet SIG's working condition standards and requirements are not engaged. Following a positive initial assessment, regular onsite audits are conducted thereafter, on an annual or bi-annual basis. Working conditions and ethics are assessed, as are areas such as quality management and health and safety. The audit results inform SIG's assessment of risk and influence the decision as to whether to work with the supplier.

#### *Supply chain due diligence*

In the UK, SIG has a compliance system (SIG Assured) which considers and verifies products supplied to many businesses in SIG against regulatory standards, for example in respect of CE marking and the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). All accredited suppliers are listed on the SIG Assured website which can be found [here](#). The system evolves to meet ever changing regulatory legislation and guidance and has been extended to include specific questions in respect of Modern Slavery. These questions cover all aspects of a supplier's ethical supply chain, including policies in place covering anti-bribery and corruption, equality and fair treatment, anti-bullying and harassment, whistleblowing, working time and Modern Slavery. Suppliers are also required to confirm that they are not involved in using forced or prison labour or child labour and that the national or living wage is paid to all employees.

We reserve the right to cease the purchase of products or services from suppliers who refuse to complete our questionnaire or who are unable to substantiate their responses or provide suitable supporting documentation when requested.

#### *Supplier selection and status*

SIGD has been pursuing an aggressive supplier reduction plan and has consolidated the number of vendors from over 2000 in 2017 to a core of 350 preferred suppliers in 2019. The focus on proactively managing the quality of suppliers through the SIG Assured process has been instrumental in delivering a significant improvement in performance by the preferred suppliers against hard metrics in each of the above compliance areas, resulting in an overall increase in compliance from 63% to 89% over the past 12 months. We believe that our preferred suppliers are less likely to present risks in terms of Modern Slavery and human rights as, for the most part, they are large multi-national corporations with strong governance procedures in place.

#### *Labour providers*

All personnel providers are engaged on written terms covering aspects such as fair employment and the right to work. All temporary workers are subject to induction which covers relevant SIG policies and procedures, including SIG's ethical standards. Each business unit regularly reviews and develops its HR policies and controls.

#### *Reporting concerns*

SIG has a confidential whistleblowing procedure for the reporting of concerns. It is available to employees and also other stakeholders, including suppliers and customers. Matters can be raised with SIG or externally with Expolink. The whistleblowing process is promoted widely across sites.

#### *UK operations risk assessment*

Key stakeholders in the UK attended a Modern Slavery workshop which comprised a training session and a risk assessment exercise. Risk areas were discussed and proposals for further enhancement are being considered.

#### *Certifications*

SIG has achieved accreditation against numerous supplier pre-qualification programmes, many of which have questions relevant to Modern Slavery as standard. A list of accreditations can be found [here](#).

Within its sphere of influence, SIG strives to ensure that its suppliers follow its commitment to ethical conduct, including the Group's approach to forced and involuntary labour. Where non-compliance is identified, SIG will engage with the relevant supplier and promptly take appropriate action, which may include not appointing or re-appointing the supplier.

#### **Further enhancements**

Further enhancements to the procurement and supply chain processes of the SIG Group in the UK and more widely in respect of Modern Slavery continue to be evaluated.

One of our targets during 2018 was to work in collaboration with both customers and suppliers to support our approach to Modern Slavery. A particular enhancement during 2019 will be the development of our compliance tracking system, which will provide an on-line facility for our Modern Slavery questionnaires. This has been developed in close collaboration with our suppliers who have welcomed the ability to use an on-line facility. It will also be of benefit to our customers as the system, once implemented, will be more efficient. This is a significant change which will enable us to provide annual reminders to our suppliers to update and refresh their compliance on each anniversary of their initial engagement with us. It will also enable us to seek further and more detailed information about our suppliers' Modern Slavery compliance framework. These changes are expected to be live from September 2019.

#### **Approval**

The Boards of SIG plc and SIG Trading Limited have approved this Modern Slavery Statement.

**Meinie Oldersma**  
**Chief Executive Officer**

Director for and on behalf of SIG plc and SIG Trading Limited  
28 June 2019