

Fighting Against Forced Labour and Child Labour in Supply Chain for the Financial Year 2024

This report is made pursuant to the Fighting Against Forced and Child Labour in the Supply Chains Act (the “Act”) and constitutes Roxul Inc. d/b/a ROCKWOOL’s (“ROCKWOOL”) report for the financial year ending 31 December 2024. The statement describes the initiatives and considerations that ROCKWOOL, in conjunction with its parent company, ROCKWOOL A/S, located in Hedehusene, Denmark (the “ROCKWOOL Group”) has taken to minimise the risk of slavery and human trafficking taking place in its supply chains or in the company.

1. The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any steps of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.

As part of the ROCKWOOL Group, ROCKWOOL ensures that it implements ROCKWOOL Group policies and procedures in its day-to-day business practices and local supply chain. Below are the steps taken to reduce the risk of forced labour and child labour in 2024.

In accordance with the Danish Financial Statements and other applicable directives and regulations including EU’s Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS) as outlined in Annex 1 to Commission Delegated Regulations (EU) 2023/2772, ROCKWOOL Group has issued an Annual Report and Sustainability Statement for the financial year ending 31st December 2024. This report complies with and fulfils the requirements to report on the management of risks related to the environment, climate, human rights, labour and social conditions, anti-corruption, gender distribution and data ethics. The Report can be found be <https://www.rockwool.com/siteassets/investors/financial-reports/2025/annual-report-2024.pdf>

To support the implementation of the Corporate Sustainability Reporting Directive (CSRD) a steering committee was established consisting of members of Group Management and senior managers at ROCKWOOL Group. The steering committee held monthly meetings during 2024 to guide strategic business decisions related to the CSRD implementation including setting up a Human Rights Committee.

Since late 2023, ROCKWOOL Group has a Human Rights Committee consisting of two members of Group Management and the CHRO. The Committee meets formally four times a year and its role is to approve, implement, promote and sponsor policies, manuals, evaluate risks assessments and action plans that continuously uphold the due diligence process in relations to human rights.

Besides having two in-house human rights subject matter experts in Group Public Affairs, an internal Human Rights Working Group was appointed in 2024. This working group meets formally at least four times a year, while maintaining regular contact on an ongoing basis. The 12 members are ROCKWOOL Group employees from different countries, backgrounds, experiences and Group disciplines. Their task is to draft and update Group policies and manuals and execute an inclusive dialogue with internal stakeholders on human rights related issues. All corporate documents and plans in relation to human rights are presented to Directors of Human Resources and to Group Management for further review, acceptance and implementation. These commitments enable the ROCKWOOL Group to better articulate its commitment to human rights throughout its operations and value chain, and provide the necessary framework so that it, and its subsidiaries, including ROCKWOOL in Canada, can help ensure it is living up to internationally recognised standards and principles of protecting human rights and addressing inequalities, inequities, and discrimination.

The ROCKWOOL Group expects suppliers to uphold similar standards and the ROCKWOOL Group expects suppliers to enforce these guidelines towards their suppliers. ROCKWOOL Group continuously work to ensure that all suppliers conduct their business in line with ROCKWOOL Group’s policies.

2. The entity's structure, activities, and supply chains.

In Canada ROCKWOOL manufactures high-performing and sustainable insulation products for the construction industry as well as alternative growing media products for agriculture. ROCKWOOL has factories and offices located in both Milton, Ontario and Grand Forks, British Columbia. In Canada, ROCKWOOL has a total of 748 employees.

ROCKWOOL's parent, the ROCKWOOL Group headquartered in Denmark, is a focused industrial company with leading positions in insulation, acoustic ceilings and horticultural growing media based on stone wool technology. In Canada, the ROCKWOOL Group operates under the trademarks ROCKWOOL, Grodan, and Rockfon.

ROCKWOOL Group operations are focused on Europe including the UK, North America and Asia. The ROCKWOOL Group has approximately 12,200 employees, operates out of 42 manufacturing facilities in 23 countries and has a sales presence in over 120 countries. More information is available on www.rockwoolgroup.com.

The ROCKWOOL Group's supply chain currently engages more than 10,000 suppliers worldwide covering a multitude of categories of goods and services. Suppliers vary from small local suppliers to large international suppliers supplying the ROCKWOOL Group on a worldwide basis.

As a global player, the ROCKWOOL Group is aware that its sourcing and procurement activities can have an impact on both human rights and the environment. The ROCKWOOL Group co-operates closely with its suppliers and sees them as important players in the ROCKWOOL Group's common pursuit of a more sustainable supply chain.

3. The entity's policies and due diligence processes in relation to forced and child labour.

In Canada, ROCKWOOL's approach to human rights is guided by the ROCKWOOL Group Human Rights Policy. Respect for human rights is a fundamental value at the ROCKWOOL Group, one that is reflected in both the materials the ROCKWOOL Group produces and the manner in which it operates. ROCKWOOL Group respects and promotes human rights in accordance with OECD Guidelines and the UN Guiding Principles on Business and Human Rights and the 10 principles defined in the UN Global Compact relating to human rights, labour, environment and anti-corruption in its activities and relationships with its employees, suppliers and partners. The Group's aim is to help ensure the respect of human rights within the communities in which the Group operates. In short, what we as a Group do and how we, as a Group, do it mutually reinforces our fundamental commitment to respecting human rights and enriching modern living.

As ROCKWOOL stated in its 2024 Annual Report "ROCKWOOL is committed to respect all internationally recognised human rights as proclaimed in the International Bill of Human Rights, including the United Nations Universal Declaration of Human Rights as well as the 11 fundamental Conventions of the International Labour Organisation (ILO) and the ILO Declaration on Fundamental Principles and Rights at Work. We also endorse and follow the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises."

In addition, the ROCKWOOL Code of Conduct is the overarching policy document for all employees in the ROCKWOOL Group, including those employed in ROCKWOOL Canada, and is owned by the Board of Directors. It explains the notion of integrity and what it means in ROCKWOOL. The Code of Conduct lists several key areas for the ROCKWOOL Group, including all its subsidiaries, such as preventing corruption and bribery, use of gifts and hospitality, conflict of interest, competition and antitrust law, data privacy, money laundering, and confidential information. The Code of Conduct also details the principles for the ROCKWOOL Group in relation to human rights and labour rights, the environment, health and safety. All employees in ROCKWOOL Group, and its subsidiaries, are expected to observe the highest level of integrity.

The ROCKWOOL Group has strengthened its Code of Conduct, to reflect its human rights commitments. The Code of Conduct has been communicated internally and is publicly available on rockwoolgroup.com.

The ROCKWOOL Group's Code of Conduct is the foundation of the Group's approach to human rights. The principles it embodies are applied in everyday business activities, including management of human capital and gender equity. In addition to the Code of Conduct, the Group has adopted a Human Rights Policy and Manual, a Diversity Equity and Inclusion (DEI) Policy, a Whistleblower Policy and a Community Engagement Policy to manage human rights risks in all ROCKWOOL Group's operations. Below is a short description of the Human Rights Policy and Manual :

[51-1] Policies related to human rights

Group policy	Description	Scope	Accountability
ROCKWOOL Human Rights Policy	ROCKWOOL is committed to respect all internationally recognised human rights as proclaimed in the International Bill of Human Rights, including the United Nations Universal Declaration of Human Rights as well as the 11 Fundamental Conventions of the International Labour Organisation (ILO) and the ILO Declaration on Fundamental Principles and Rights at Work. We also endorse and follow the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. ROCKWOOL's policy refers to the following impacts and salient human rights risks assessed in the double materiality assessment: non-discrimination, and when referring to gender, working conditions, safe and healthy workplace, as well as countering child and forced labour. It explicitly commits ROCKWOOL to have a meaningful dialogue with potentially affected groups and other relevant stakeholders to prevent or mitigate impacts as well as to provide remedy for any direct impacts we cause or contribute to. Ensuring compliance with the policy is supported through regular risk assessments, internal audits and stakeholder engagement, allowing ROCKWOOL to address any human rights violations or concerns proactively. We regularly report on human rights issues, and the Integrity Committee plays a key role in monitoring adherence to the policy.	The policy covers ROCKWOOL's own operations as well as suppliers and business partners. It covers all geographical regions where we operate. Key stakeholder groups affected by the policy include employees, contract workers, local communities, and supply chain workers.	Group Management is responsible for the Human Rights Policy while Managing Directors are responsible for the implementation of this policy supported by the Human Resources organisation.
ROCKWOOL Human Rights Manuals	The ROCKWOOL Human Rights Policy is supported by two manuals: (1) "Group Human Rights Manual referring to Forced and Child Labour" for general purposes and (2) "Group Human Rights Manual - Forced and Child Labour - contingent workers". The latter includes check lists, provisions, guidelines and mandatory procedures when working with contract workers. Both manuals manage the most significant issues and set mandatory provisions regarding the employment process and adaptation of processes to prevent future adverse impacts. This includes criteria and documentation of the age of the contract worker and employment conditions such as limits of working hours per week, living wage, rest periods, annual holidays, statutory taxes and social security, minimum criteria for accommodation or housing, termination of the contract, grievance mechanism and remedy. ROCKWOOL's "Group Human Rights Manual - Forced and Child Labour - contingent workers" state zero tolerance for human trafficking and violations of human rights.	The scope of these two manuals is the same as the scope of Group Human Rights Policy.	The Group Sustainability Sourcing Manager and Managing Directors are primarily responsible for the implementation of the two manuals.

ROCKWOOL Group are committed to having a meaningful dialogue with potentially affected groups and other relevant stakeholders to prevent or mitigate impacts as well as to provide remedy for any direct impacts the Group causes or contributes to. In keeping with the UN Guiding Principles, where national law and international human rights standards differ or they are in conflict, the Group will adhere to national law while seeking to comply with the principles of internationally recognised human rights to the greatest extent possible.

As a supplement to the Code of Conduct, ROCKWOOL Group has a [Whistleblower Policy](#), which encourages all employees, including those of its subsidiaries and third parties, to report violations of the Code of Conduct and sensitive concerns. Reporting is possible via a dedicated website and via the ROCKWOOL Group whistleblower app. Reports can be made in multiple languages and anonymously. All communication with the whistleblower is encrypted and reporting is made in compliance with national data protection regulation and GDPR.

ROCKWOOL Group's grievance mechanisms are available for anyone to report possible human rights issues related to ROCKWOOL Group. The Group's Whistle-blower system can be used for that purpose and is available in the respective local languages. In 2024, ROCKWOOL Group did not receive any whistleblower reports concerning the use of forced or compulsory labour in the supply chain.

With respect to its supplier due diligence processes, The ROCKWOOL Group is committed to respecting and promoting the fundamental human rights of its employees, suppliers, and the communities in which it operates, in line with the International Bill of Human Rights including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, the ROCKWOOL Group has been a member of the UN Global Compact since 2016 and reports on its progress annually.

The ROCKWOOL Group acknowledges there is a risk connected with the categories and countries the ROCKWOOL Group is engaged with in terms of compliance with international, national and local laws and guidelines relating to human rights, environmental issues and manufacturing practices as well as ethics and bribery, particularly in relation to sourcing and procurement.

ROCKWOOL Group has a specific Code of Conduct for Suppliers, which is in alignment with the overall Code of Conduct and reflects the Group's commitment in relation to the UNGC towards suppliers. The Code of Conduct for Suppliers is designed to mitigate risk by clearly stating ROCKWOOL Group's expectations of its suppliers and the requirement for its suppliers to enforce the same guidelines within their supply chain. In 2022, ROCKWOOL Group initiated a revision of its Code of Conduct for Suppliers for approval in 2023 to reflect its commitment to safeguard human rights and support its environmental and climate ambitions across the Group. In 2023, the Code of Conduct for Suppliers was approved and is now active for the on-boarding of potential new suppliers. The Code of Conduct for Suppliers is also in the process of being distributed to existing suppliers.

In 2021, 2022, 2023 and 2024, ROCKWOOL Group carried out several activities to strengthen its due diligence governance and internal processes within human rights. As aforementioned, these activities included revising the ROCKWOOL Group Code of Conduct and approving a dedicated Human Rights Policy replacing the former Human Rights Commitment. In 2024 a Group Human Rights Manual on the prevention of Forced and Child Labour has been adopted and it covers our own employees as well as contingent workers. These key actions provide the necessary framework within which it can ensure compliance with internationally recognised human rights.

Before being approved as a new supplier and as a pre-requisite to secure a formal contract with ROCKWOOL Group, suppliers must register via an online supplier portal and answer questions relating to the ROCKWOOL Group's Code of Conduct for Suppliers. As part of this process, suppliers are required to confirm that they will comply with the United Nations Universal Declaration of Human Rights and the ten universal principles defined in the UN Global Compact and with all international, national and local laws relating to employment, health and safety, human rights and labour rights and anti-corruption. This also helps suppliers to understand ROCKWOOL Group's commitment to sustainability in general.

ROCKWOOL Group's goal is to have every on-boarded supplier to sign the most recent version of its Code of Conduct for Suppliers.

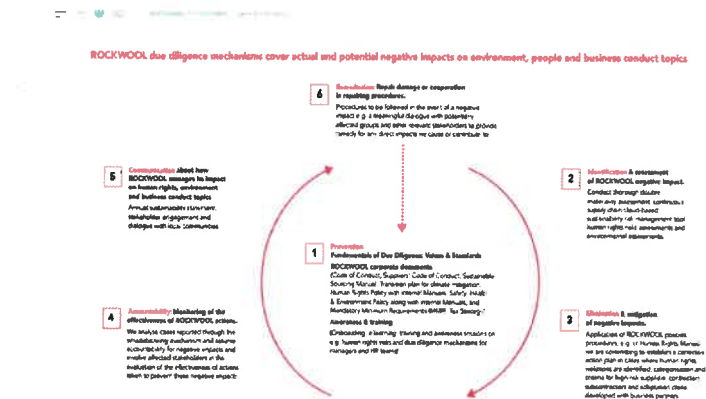
ROCKWOOL Group takes a risk based approach in order to identify supply chains where the likelihood of violations against human rights, the environment and other sustainability issues are high. We therefore undertake an annual risk assessment of our supply chains. This includes an evaluation of categories and countries where we operate or source products and services from.

When working in accordance with the UN Guiding Principles, the Group conducts human rights due diligence through a dedicated due diligence process. The Group are committed to identifying and preventing or mitigating impacts in its operations and supply chain and to continuously improve its human rights approach. Alongside this year-round due diligence process, the Group's Human Rights Committee conducts a human rights risk assessment process at least every three years. The Group discloses its approach to due diligence and its efforts to mitigate salient impacts in the Group's Annual Report.

4. The parts of the entity's business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.

The ROCKWOOL Group Board of Directors supervises and oversees sustainability reporting. The CFO's area of responsibility includes managing the risk and control framework associated with sustainability reporting. It also includes providing regular updates to the Audit Committee and Board of Directors. The risk and control framework relating to the sustainability statement is structured around detailed data points and their underlying processes. Definitions and calculation methodologies are aligned with ESRS, and a "comply or explain" approach has been applied to each data point. Once a year, a detailed sustainability reporting risk assessment is conducted. As part of this assessment, sustainability reporting risks are categorised and prioritised by assessing the risk of the individual data points using six different risk factors. The risk factors used are the relative importance of the data, the volume of the source data, the complexity of the source data, the risk of unreliable recording of the source data, the risk of manipulation of the reported data and the complexity of the calculation or consolidation of reported data. The identified risks are the following: energy consumption and emissions related to combustion

sources. The identified sustainability reporting risks, the related mitigating controls and assessed residual risks, are documented and evaluated on an annual basis. Key findings and improvement plans are reported to the Audit Committee. It is also secured that mitigating controls are reflected in relevant processes and systems.



The ROCKWOOL Group is committed to avoid causing or contributing to adverse impacts on people in its operations, supply chain, business relationships, and in the communities where it operates. The ROCKWOOL Group has a heightened focus on its salient human rights risks, which include discrimination, child and forced labour, safety and health together with employment and working conditions as well as access to grievance mechanism.

The double materiality assessment (DMA) was carried out in the second half of 2023 and updated in 2024. The DMA will be reviewed and updated annually. Moreover, we will revisit the assessment if any significant internal or external changes occur, such as significant strategy reviews, regulatory developments, or evolving stakeholder expectations. Through the DMA, material sustainability impacts, risks and opportunities were identified. More than 50 sustainability topics were assessed using the methodology described below.

The DMA covered the entire ROCKWOOL Group, the whole value chain and all geographies. In the upstream value chain assessment, the Group focused mostly on Tier 1 - direct suppliers and business partners, but also considered Tier 2 and cradle-to-Tier 3 whenever material (e.g. raw materials extraction, specific geographies with assessed high human rights risks and/or with high environmental risks). In the downstream value chain assessment, Tier 1 (corporate customers), Tier 2 (end-users of our products) and Tier 3 (e.g. owner of buildings) were considered. For relevant topics that could give rise to heightened risk, potential negative impacts were discussed with the different stakeholders.

Materiality was assessed from both an impact and financial perspective:

- From an impact materiality perspective, actual and/or potential negative impacts over short-, medium- or long-term time horizons and based on scale, scope, and irremediable character of the impact, were assessed. Actual and/or potential positive impacts were assessed based on scale, scope and in case of potential positive impact, on likelihood;
- From a financial materiality perspective, ROCKWOOL Group assessed over short-, medium- or long-term time horizons, actual and/or potential risks and opportunities using the two parameters: likelihood of occurrence and the potential magnitude of financial effects.

Stakeholder engagement Interests and views of internal and external stakeholders were considered through analysis of environmental and human rights risk assessments, past events, and internal and external surveys carried out within the past two years.

The ROCKWOOL Group conducted additional comprehensive surveys and structured one-to-one interviews among representatives of selected internal and external stakeholders. This included human resources, business entities and finance as well as financial institutions, customers and business partners so that different concerns and perspectives were taken into account. Additionally, the Group engaged internal subject matter experts by carrying out two workshops dedicated to environmental and social topics. There has been no direct consultation with affected stakeholders.

While scoring risks, both gross risk and mitigating actions were assessed. Any risk was first assessed as a gross risk (hazard, exposure, vulnerability), and then reassessed with mitigation measures in order to determine the potential impact on ROCKWOOL's assets and supply chain. Additionally, whenever a potential negative human rights impact was identified, the severity of the impact took precedence over its likelihood.

In 2024, in relation to human rights, actions were focused around the following three themes:

1. Anchoring ROCKWOOL Human Rights Policy across the company

- a. In 2024, the Group created two human rights manuals for internal use to assure proper implementation of prevention measures with reference to own workforce. The manuals address counteracting forced and child labour especially among the most vulnerable group in ROCKWOOL's workforce: contractor workers. After the internal publication of the Manual on the prevention of forced and child labour, the Group have learned that the communication and implication can be challenging due to the diverse cultural and workplace related circumstances. The Group therefore launched internal training sessions for Group and Regional HR teams as well as for HR community and Business Partners on the implementation of the Manual's provisions. The Group also launched an internal human rights and social impact awareness raising campaign targeted directly at stone wool factory Technical Directors, Occupational Health and Safety Managers, Factory Managers, Finance Directors, local HR teams and Public Affairs and Sustainability Directors. The campaign covers ROCKWOOL sales offices, all stone wool factories, and the Group Sourcing and Procurement team. This will last until September 2025. The goal is to anchor the Group Human Rights Policy along with internal Manuals. The campaign consists of offline and online training.

2. Onboarding Group Sourcing and Procurement function on sustainability, including human rights due diligence

- a. In 2024, the Group Sustainable Sourcing Manager and the Group Sustainability Partner were made responsible for human rights due diligence in the supply chain, focusing primarily on suppliers from high-risk countries and sectors. ROCKWOOL continued the awareness raising process launched in 2023 regarding human rights in the supply chain. The Group strive for 100 percent of ROCKWOOL purchasing Category Managers and Directors to go through a dedicated training on human rights.
- b. In 2024, Category Managers and Directors went through the ROCKWOOL awareness session on human rights in the supply chain.
- c. Supply Chain Risk Monitoring: Based on ROCKWOOL's internal Sustainability Sourcing Manual, the Group perform sustainability risk assessments, including human rights, and monitor suppliers from high-risk categories through a real time cloud-based sustainability risk management tool. In 2024, the Group monitored more than 1,000 suppliers from high-risk categories.

3. Internal human rights risk assessments and internal audits

In 2024, an internal human rights risks assessment focused on non-discrimination with priority for the three following traits: gender, nationality and disability. It was carried out in order to monitor the actions taken to prevent discrimination. The criteria were that this group includes newcomers, direct and indirect

employees as to involve affected stakeholders into the assessment process and evaluate the effectiveness of actions to prevent discrimination. Based on a risk assessment of entities, the factory in the Netherlands was selected for a more in-depth analysis. Overall, the information gathered on the HR processes and day-to-day interactions has shown that there is generally a good awareness of the phenomena of discrimination and harassment, mainly with respect to indirect employees, including the HR team. Human rights topics were also added to regular Group internal audits in the beginning of 2024. The Group Internal Audit team executed seven audits covering five stone wool factories and two administrative and/or commercial offices. The Group Internal Audit team focused controlling processes around two social topics: (1) Own workforce working hours where compliance with local working regulations and/ or ILO principles, rest periods – based on time attendance system and paid overtime – were verified. The second group of audited topics (2) referred to the salary level of ROCKWOOL's own workforce.

Key performance indicators

The ROCKWOOL Group has developed a governance manual in order to define, communicate and document its approach to sustainable sourcing. This document also describes how it escalates issues concerning human rights, environment, and other sustainability issues within its supply chains. This is backed up by the monitoring tool which will monitor its high-risk suppliers and countries in which it operates which are deemed as high-risk areas.

As a part of the result of the ROCKWOOL Group's annual revision of its risk assessment of categories, ROCKWOOL Group has decided to pay further attention to categories where the risk of Human Rights violations are the highest.

5. Any measures taken to remediate any forced or child labour.

Both ROCKWOOL in Canada, and the ROCKWOOL Group, can confirm that they did not identify any forced or child labour in their supply chains for the financial reporting year 2024.

6. Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

As neither ROCKWOOL in Canada, nor the ROCKWOOL Group, identified any forced labour or child labour in their supply chains for the financial reporting year 2024, no measures to remediate the loss of income to vulnerable families were required.

7. Training provided to employees on forced labour and child labour.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in ROCKWOOL Group's supply chains and its business, ROCKWOOL Group provides training to its employees, including its subsidiaries.

Face-to-face training was expanded by ROCKWOOL Group to include training of contract workers on human rights issues and policy. ROCKWOOL Group will continue this practice in the coming years.

Training regarding the new expectations and requirements for suppliers is being conducted for all category managers, sourcing managers and other staff engaging with suppliers. From the beginning of 2024, all new suppliers with whom we intend to sign a contract will receive the revised Code of Conduct for Suppliers. ROCKWOOL Group will strive for 100 percent signature of the revised Code of Conduct for Suppliers by high-risk suppliers.

To ensure a strong management of human rights-related issues, ROCKWOOL's goals, linked to the DEI policy, are the following: By September 2025, 100 percent of stone wool factory managers, technical directors, occupational health and safety managers and local HR teams pass the training on human rights risks and due diligence mechanism; By March 2025, 100 percent of the HR organisation pass the training covering the Manuals on counteracting forced and/or child labour.

In addition, in Canada in 2024, ROCKWOOL also conducted held a mandatory awareness session with the North American Procurement team in July.

8. How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its businesses and supply chains.

ROCKWOOL, and the ROCKWOOL Group, have set forth in Sections 1, 3, and 4 above the policies and tools to comprehensively outline the steps taken by the ROCKWOOL Group, and its subsidiaries, to ensure that there is no slavery or human trafficking in its supply chains. As set forth in more detail above, in 2024 the Group further enhanced its supplier management processes and guiding documents to define, control, communicate, and document ROCKWOOL's approach to sustainable sourcing.

Roxul Inc. d/b/a ROCKWOOL May 2025

In accordance with requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed, Roxul Inc. d/b/a ROCKWOOL above. Based on my knowledge, and having exercised reasonable diligence, I attest that the above report is true, accurate and complete in all material respects for purposes of the Act, and the 2023 financial reporting year.

Full Name: **Rory Moss**

Signed: 

Title: Director, Roxul Inc.

Date: **5/20/2025**