

**The ROCKWOOL Group, 2012.
Mandatory report on Corporate Social Responsibility
according to Danish Financial Statements Act, art. 99a.**

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Overview and introduction

The ROCKWOOL Group has always been managed on the basis of values requiring trustworthy and decent behaviour of the ROCKWOOL Group and its employees. Since an update in 2010 in connection with the introduction of the new corporate strategy, Rock the Globe, the values of *honesty, entrepreneurship, efficiency, passion and responsibility* have been basic for actions taken in the Group and transactions with our stakeholders including suppliers and customers.

These values – as interpreted by the ROCKWOOL Group - are further described on the corporate website.

Conducting our business according to the corporate values is the adequate framework for the ROCKWOOL Group to conform to modern standards for responsible and reliable business conduct as well as corporate social responsibility.

The ROCKWOOL Group has a number of Policies and Manuals to secure conformity. All employees must conform to the conditions covering their employment in the ROCKWOOL Group – including values and group policies.

On an overall level, the ROCKWOOL Group has for many years expressed its commitment to Corporate Social Responsibility (CSR) in the Group policy on social responsibility and the Group's social charter.

All employees and managers are required to ensure that these principles are being followed.

The Group's Principles of Leadership and procedures for bilateral conversations between all managers and subordinates as well as regular, general evaluations of each employee form the framework which helps ensuring that any misconduct according to these principles are addressed and that corrective action is taken.

Special development 2012

In accordance with the Danish law on Annual Accounts, art. 99 a., the company must annually report on its progress within the area on CSR. In addition to the ROCKWOOL Group's general CSR policies and measures, this report covers - in each relevant section - the special development and initiatives for the year 2012.

New Group HR Senior Vice President and Group Management member

In 2012, Group Management team was changed as a new Group HR Senior Vice President was hired and joined Group Management. The introduction of a Group HR function in Group Management reflects the increased focus in the ROCKWOOL Group on strengthening the general development of the Group's human resources as well as the further development and implementation of the value-based management philosophy and general compliance to Group Policies and management principles.

New framework for our way of working

A new framework – ‘the ROCKWOOL Way’ – was introduced in 2012 and contributes to the profile of the ROCKWOOL brand and quality standards as perceived by our markets and stakeholders. The framework is built on our strong values and culture. It is tightly linked with our leadership principles and high ambitions to foster trust and empowerment. Together with the Group policy structures, this initiative provides a solid platform for our way of working.

New whistleblower policy

In 2012, the ROCKWOOL Group introduced a new whistleblower policy. The Group wishes to ensure continued ethical conduct of its business ethically and in compliance with the law and has therefore established a policy to encourage reporting of serious breaches while ensuring the protection of employees reporting such malpractice in the company in good faith. The reporting of any such concerns and disclosures may be done via an external law firm.

New audit procedure for suppliers

During 2012, the ROCKWOOL Group’s sourcing and procurement department has continued the implementation of a new structured supplier evaluation process. In 2012, this process has been further developed and a formal cooperation between Group Sourcing and Procurement and Group Audit has been established and an auditing programme has been introduced. This auditing programme will be further implemented during 2013. So far, our suppliers have generally been found to comply with our expectations but one supplier has been instructed to implement improvements with regard to selected environmental issues.

Increased number of suppliers and larger expenditure under corporate contracts

Both share of suppliers and the total buying expenditure under contract with the ROCKWOOL Group’s corporate procurement function have increased over the year. Also the standard contract template has been adjusted and now covers more CSR-related areas. Under the standard contract with the Group sourcing and procurement function, any supplier must comply with a set of standardised, international requirements regarding for example environmental and quality certifications including also the ROCKWOOL Group’s Code of Conduct for Suppliers which has been made a part of the standard contract template.

Code of Conduct for Suppliers to be reviewed

As a part of the extension of the supplier control it was decided to review the ROCKWOOL Group’s Code of Conduct for Suppliers during 2013. The revised Code of Conduct will have a stronger emphasize on human rights and other CSR-related areas – including stronger control with the suppliers’ sub-suppliers.

Code of Conduct for suppliers – also for local suppliers

In 2012 it was decided to extend the use of the Code of Conduct for Suppliers to also include suppliers under contracts with local ROCKWOOL affiliates. The implementation of this will take place during 2013.

Human rights now included in Risk Management System

The ROCKWOOL Group's Risk Management System has been further developed and does now also cover human rights and other subjects which potentially could harm the ROCKWOOL Group's reputation as a respectable and responsible company. All affiliated companies must now annually make a self-assessment which must be signed by the managing director in the relevant company.

Relevant policies and sources

- *Our mission and values, www.rockwool.com*
- *Group policy on business responsibility (appendix A)*
- *Group policy on business ethics (appendix B)*

Social responsibility

The ROCKWOOL Group will work in order to continuously improve our social performance by setting high objectives and integrating social, human rights and health & safety considerations into our daily business. The Group will maintain an open dialogue with our stakeholders and report annually on our social performance.

The Group supports the United Nations Universal Declaration of Human Rights.

Relevant policies and sources

- *Group policy on social responsibility (appendix C) www.rockwool.com*

Social Charter for the ROCKWOOL Group

In addition, the Group has chosen to further describe its social commitment in the Social Charter for the ROCKWOOL Group.

The products and services sold by the ROCKWOOL Group have a positive impact on the global problems of climate change and diminishing reserves of fossil energy. At the same time they improve the living conditions for millions of people by giving them thermal comfort, affordable heating and cooling, reduced fire risk, a lower noise and vibration level, and fewer chemicals in vegetables from greenhouses. These basic, positive contributions to the world are important for the Group's employees, for its management and Board and for the spirit in which we all work.

The fact that the Group offers a positive contribution to the world is also paramount for the Group's largest shareholders, the ROCKWOOL Foundation and the Kähler family

members. According to its bylaws, the ROCKWOOL Foundation has to spend its entire earnings to the benefit of society.

Of course the ROCKWOOL Group as a company has to make money in order to develop the business and offer the shareholders a return on their capital. However, the priorities should not only be set according to where the Group can make most money; it should also be ensured that the Group continues to have a positive impact on society in the countries and on the continents where it operates.

Therefore the Group should continue avoiding being involved in products and in operations which have a negative impact on people's health and well-being, and we shall conduct our business in a way that also ensures a positive social impact on our surroundings. Conducting the business according to high ethical standards, and training personnel to a high international level, are typical ways in which the ROCKWOOL Group positively influences our environment and society - wherever we operate.

Relevant policies and sources

- *Social charter, www.rockwool.com*

General evaluation and expectations for the future

The ROCKWOOL Group's continuous work with CSR has resulted in several decisions where the most acknowledged principles for CSR have been applied in connection with the value based management of our business. Moreover we are confident that the knowledge of the Group's values and policies incorporating these principles is strong and thus used as guidance in all work done in the ROCKWOOL Group. This is also reflected in our communication with suppliers, customers and other stakeholders.

In the following the ROCKWOOL Group will elaborate on the translation of its Policies into actions taken with regards to ten of the most widely acknowledged principles of sound corporate social responsibility.

Relevant policies and sources are listed in connection with each principle. The detailed contents of many additional policies are developed for internal use only and will not be publicly available. Any requests about further information concerning the ROCKWOOL Group's policies can be directed to the Group Communication department (see www.rockwool.com)

Human Rights

1. The company should support and respect the protection of internationally proclaimed human rights.

Actions, systems and procedures

The ROCKWOOL Group supports the international human rights principles and standards for labour as defined by the United Nations. This implies minimum standards for freedom of association, non-discrimination, working hours, salary and benefits, disciplinary measures, child labour and forced labour.

Parallel to this, the Group Values (Honesty, responsibility, efficiency, passion and entrepreneurship) instil a general responsible and humane behaviour among all employees. Also the Group's Social Charter as described above supports the Group's general aim of contributing positively to not only society – but also to the individual human being's health and well-being.

These policies are stated and communicated through the Group's corporate communication vehicles such as e.g. the corporate website, intranet etc.

All employees must conform with these principles.

Relevant policies and sources

- *Group policy on social responsibility (appendix C) www.rockwool.com*

Evaluation and expectations for the future

The ROCKWOOL Group has not been compromised by any case or relationship which has questioned the company's conformity with the internationally recognized human rights defined by the United Nations. The general awareness among both employees as well as other relevant key stakeholders about the ROCKWOOL Group's integrity in this area support the general recognition of the company being in full conformity with these principles.

Special development 2012

In 2012, a number of actions have been taken that all will influence positively on the dissemination and monitoring of the ROCKWOOL Groups policies on human rights:

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

New whistleblower policy

In 2012, the ROCKWOOL Group introduced new whistleblower policy (read more in “Overview and introduction” p. 4)

New audit procedure for suppliers

During 2012, the ROCKWOOL Group’s sourcing and procurement department has continued the implementation of a new structured supplier evaluation process (read more in “Overview and introduction” p. 4).

Code of Conduct for Suppliers to be reviewed

As a part of the extension of the supplier control it was in 2012 decided to review the ROCKWOOL Group’s Code of Conduct for Suppliers (read more in “Overview and introduction” p. 4).

Code of Conduct for suppliers – also for local suppliers

In 2012 it was decided to extend the use of the Code of Conduct for Suppliers to also include suppliers under contracts with local ROCKWOOL affiliates (read more in “Overview and introduction” p. 5).

Human rights now included in Risk Management System

The ROCKWOOL Group’s Risk Management System has been further developed and does now also cover human rights and other subjects which potentially could harm the ROCKWOOL Group’s reputation as a respectable and responsible company (read more in “Overview and introduction” p. 5).

Workplace safety at a global scale

A global campaign for further improvement of the workplace safety has been introduced. Its goal is - by 2017 - to reduce the Group’s already very low accident frequency to a maximum of two accidents per one million working hours.

2. The company should make sure that they are not complicit in human rights abuses.

Actions, systems and procedures

The ROCKWOOL Group supports the United Nations Universal Declaration of Human Rights.

All suppliers under contract with the Group Procurement function are asked to sign a declaration to the Code of Conduct for Suppliers for the ROCKWOOL Group including a commitment to comply with the UN Universal Declaration of Human Rights.

All employees and managers are required to ensure that these principles are being followed.

Relevant policies and sources

- *Code of Conduct for Suppliers to the ROCKWOOL Group (appendix D)*
www.rockwool.com

Evaluation and expectations for the future

The ROCKWOOL Group has not been compromised by any case or relationship which has questioned the company's conformity with the internationally recognized human rights defined by the United Nations. The general awareness among both employees as well as other relevant key stakeholders about the ROCKWOOL Group's integrity in this area support the general recognition of the company being in full conformity with these principles.

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Workplace safety at a global scale

A global campaign for further improvement of the workplace safety has been introduced. Its goal is - by 2017 - to reduce the Group's already very low accident frequency to a maximum of two accidents per one million working hours.

Labour Standards

3. The company should uphold the freedom of association and the effective recognition of the right to collective bargaining

Actions, systems and procedures

The Group supports the United Nations Universal Declaration of Human Rights which include recognition of everyone's right to form and to join trade unions for the protection of his interests.

In general, the ROCKWOOL Group is not making any hindrance for employees and affiliate's membership of relevant organisations with the purpose of promoting and negotiating individual interests.

All employees and managers are required to ensure that these principles are being followed.

Relevant policies and sources

- *Group policy on social responsibility (appendix C) www.rockwool.com*

Evaluation and expectations for the future

The ROCKWOOL Group has not been compromised by any case or relationship which has questioned the company's conformity with the internationally recognized right to free association and collective bargaining.

Special development 2012

In 2012, a number of actions have been taken that all will influence positively on the dissemination and monitoring of the ROCKWOOL Groups policies on human rights – including labour standards:

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

New whistleblower policy

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Workplace safety at a global scale

A global campaign for further improvement of the workplace safety has been introduced. Its goal is - by 2017 - to reduce the Group's already very low accident frequency to a maximum of two accidents per one million working hours.

4. The company should uphold the elimination of all forms of forced and compulsory labour.

Actions, systems and procedures

The Group supports the United Nations Universal Declaration of Human Rights which prohibit all forms of forced and compulsory labour.

All employees and managers are required to ensure that these principles are being followed.

The Group is increasing its business activities in emerging markets, at the same time strengthening the auditing of suppliers. The Group has established a standardised evaluation process and those suppliers not reaching the necessary score will be subject to an audit carried out by the Group's internal audit function.

Relevant policies and sources

- *Group policy on social responsibility (appendix C) www.rockwool.com*

Evaluation and expectations for the future

The ROCKWOOL Group has not been compromised by any case or relationship which has questioned the company's active support to the internationally recognized objective of eliminating all forms of forced and compulsory labour.

Special development 2012

In 2012, a number of actions have been taken that all will influence positively on the dissemination and monitoring of the ROCKWOOL Groups policies on human rights – including labour standards:

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

New whistleblower policy

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Code of Conduct for suppliers – also for local suppliers

In 2012 it was decided to extend the use of the Code of Conduct for Suppliers to also include suppliers under contracts with local ROCKWOOL affiliates (read more in "Overview and introduction" p. 5).

Human rights now included in Risk Management System

The ROCKWOOL Group's Risk Management System has been further developed and does now also cover human rights and other subjects which potentially could harm the ROCKWOOL Group's reputation as a respectable and responsible company (read more in "Overview and introduction" p. 5).

5. The company should uphold the effective abolition of child labour.

Actions, systems and procedures

The Group supports the United Nations Universal Declaration of Human Rights which upholds the effective abolition of child labour.

All employees and managers are required to ensure that these principles are being followed.

All employees and managers are required to ensure that these principles are being followed.

The Group is increasing its business activities in emerging markets, at the same time strengthening the auditing of suppliers. The Group has established a standardised evaluation process and those suppliers not reaching the necessary score will be subject to an audit carried out by the Group's internal audit function

Relevant policies and sources

- *Group policy on social responsibility (appendix C) www.rockwool.com*
- *Code of Conduct for Suppliers to the ROCKWOOL Group (appendix D)*

Evaluation and expectations for the future

The ROCKWOOL Group has not been compromised by any case or relationship which has questioned the company's conformity with the internationally proclaimed objective of abolition of child labour.

Special development 2012

In 2012, a number of actions have been taken that all will influence positively on the dissemination and monitoring of the ROCKWOOL Groups policies on human rights – including labour standards:

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

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Code of Conduct for suppliers – also for local suppliers

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Human rights now included in Risk Management System

The ROCKWOOL Group's Risk Management System has been further developed and does now also cover human rights and other subjects which potentially could harm the ROCKWOOL Group's reputation as a respectable and responsible company (read more in "Overview and introduction" p. 5).

6. The company should uphold the elimination of discrimination in respect of employment and occupation.

Actions, systems and procedures

The Group supports the United Nations Universal Declaration of Human Rights which upholds the elimination of discrimination in respect of employment and occupation.

The Group is against any kind of discrimination due to e.g. age, gender, race and religion and actively aims at strengthening the company's internal diversity in these areas.

Any incident of discrimination and action taken against it must be reported to the responsible management.

All employees and managers are required to ensure that these principles are being followed.

Relevant policies and sources

- *Social responsibility, www.rockwool.com*

Evaluation and expectations for the future

The ROCKWOOL Group has not been compromised by any case or relationship which has questioned the company's conformity with the internationally recognized objective of eliminating discrimination in respect of employment and occupation.

Special development 2012

In 2012, a number of actions have been taken that all will influence positively on the dissemination and monitoring of the ROCKWOOL Groups policies on human rights – including labour standards:

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

New whistleblower policy

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New audit procedure for suppliers

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Code of Conduct for Suppliers to be reviewed

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Code of Conduct for suppliers – also for local suppliers

In 2012 it was decided to extend the use of the Code of Conduct for Suppliers to also include suppliers under contracts with local ROCKWOOL affiliates (read more in "Overview and introduction" p. 5).

Human rights now included in Risk Management System

The ROCKWOOL Group's Risk Management System has been further developed and does now also cover human rights and other subjects which potentially could harm the ROCKWOOL Group's reputation as a respectable and responsible company (read more in "Overview and introduction" p. 5).

Environment

7. The company should support a precautionary approach to environmental challenges.

Actions, systems and procedures

Due to the ROCKWOOL Group's corporate mission and the nature of the company's main product area, building insulation, the company is a major contributor to energy efficiency and thereby reduction of CO₂ emission, thus having a significant positive influence on the environment by providing sustainable solutions addressing the many challenges of global climate change. Also the company's other products provide major positive environmental advantages such as e.g. noise reduction and improved indoor climate.

The ROCKWOOL Group has signed the ICC (International Chamber of Commerce) Business Charter for Sustainable Development. ROCKWOOL has thereby committed itself to improve environmental performance in accordance with the Charter's principles, to have in place management practices to effect such improvement, to measure progress and to report this progress as appropriate, internally and externally.

The ROCKWOOL Group has also drawn up a Group Environment Policy. It is Group policy to either meet or exceed all relevant national and international environmental standards and legislation.

The Group's Environment Management System includes safety management and auditing.

A number of detailed manuals including detailed standards, procedures, audit and reporting requirements have been established for all relevant production processes.

A number of the ROCKWOOL Group's production sites are certified according to the ISO 14001 standard for environmental management.

ROCKWOOL companies have over the years won numerous environmental awards.

Major relevant product groups are subject to evaluation of their environmental impacts based on a lifecycle assessment (LCA). LCA is a structured study of a product's positive and negative environmental impacts throughout its lifecycle: From extraction and production of resources and raw materials through production to use and final disposal of the product.

The ROCKWOOL Group's climate and environmental performance is published annually in Sustainability Report. The report covers areas like consumption of energy, raw material, water as well as data on emissions, waste etc. The report also presents an overview of the company's social and governance profile.

All employees and managers are required to ensure that these principles are being followed.

Relevant policies and sources

- *Group environmental policy, (appendix E), www.rockwool.com*
- *Sustainability Report 2012, www.rockwool.com*
- *Employee Safety Assurance Manual, (internal)*
- *ICC Business Charter for Sustainable development, <http://www.bsdglobal.com>*

Evaluation and expectations for the future

The ROCKWOOL Group considers its performance in this area satisfactory and will maintain this position.

Special development 2012

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

Goal for improvement of energy and CO₂ efficiency at ROCKWOOL factories

A goal for improving the energy efficiency and CO₂ at our factories has been defined: A 15% reduction in energy consumption and CO₂ emission per tonne of produced ROCKWOOL product in 2015 compared to 2009.

Goals for increased CO₂ net carbon footprint

The ROCKWOOL Group has announced goals for improving the net carbon mitigation footprint by selling and installing more, energy saving insulation products ("scope 2" emission) (read more about goals for increased CO₂ efficiency in "Sustainability report 2012" www.rockwool.com)

Recycling scheme for used stone wool launched in Denmark

Some 28% of the ROCKWOOL Group's melt raw materials are recycled content. About 60% of our production companies are offering return schemes enabling customers to return their ROCKWOOL product offcuts and surplus stone wool from refurbishments. In order to further explore the potential in recycling, a recycling scheme has in Denmark been introduced taking back ROCKWOOL renovation and demolition waste from building sites. All returned stone wool material is re-melted and turned into new insulation products.

8. The Company should undertake initiatives to promote greater environmental responsibility.

Actions, systems and procedures

Besides the comprehensive existing system for managing and auditing environmental impacts, the ROCKWOOL Group is constantly developing improvements of existing systems or new, relevant systems, programmes or schemes which can help improve the company's environmental performance or promote a greater environmental responsibility.

Both the ICC Business Charter for Sustainable Development, the ROCKWOOL Group's own environmental policy as well as its social charter promote our commitment to constantly seeking ways to improve environmental performance.

The Group is a part of the Carbon Disclosure Project (CDP), publicly reporting according to strict procedures and standards about the company's CO₂ emission. The CDP reporting allows the company to benchmark itself against other relevant players.

The ROCKWOOL Group has defined a general guideline for environmental assessment of suppliers. This is used to screen existing and potential suppliers in order to assure that also their environmental performance are taken into consideration when evaluating the business relationship. This is seen as a tool to extend The Group's commitment to improve environmental performance also outside the company itself.

All suppliers under contract with the Group Procurement function are asked to sign a declaration to the Code of Conduct for Suppliers for the ROCKWOOL Group including a commitment to comply with any relevant environmental legislation and in general to act responsibly towards the environment.

All significant suppliers and contractors under contract with the Group Procurement function are subject to random checks on environmental performance.

Relevant policies and sources

- *Group environmental policy (appendix E) www.rockwool.com*
- *Carbon Disclosure Project, www.cdproject.net*
- *Sustainability Report 2012, www.rockwool.com*
- *ICC Business Charter for Sustainable development, <http://www.bsdglobal.com>*
- *Environmental Assurance Manual (Internal)*

Evaluation and expectations for the future

The ROCKWOOL Group considers its performance in this area satisfactory and will maintain this position by continuing the initiatives mentioned above.

Special development 2012

- Goal for improvement of energy efficiency at ROCKWOOL factories (read more in section 7).
- Goals for increased CO₂ efficiency (read more in section 7).
- Recycling scheme for used stone wool launched in Denmark (read more in section 7).

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

9. The company should encourage the development and diffusion of environmentally friendly technologies.

Actions, systems and procedures

Being the world's second largest producer of insulation material which in its lifetime saves more than 100 times the energy used for its manufacturing and transportation, the ROCKWOOL Group plays a significant role in developing and diffusion of environmentally friendly technologies through our sales of insulating systems for building, industrial and marine and offshore applications.

Given the very energy and capital intensive nature of the ROCKWOOL production process all production sites and related procedures are audited on efficiency and environmental performance and global best-practise is deployed.

With regard to the company's products, a significant amount of resources are invested in research and development of new technologies that can improve the energy efficiency in buildings all over the world. Apart from own efforts and competences engaged in this, the ROCKWOOL Group also works together with a large number of external partners such as universities and other institutions involved in research and development in this area.

The Group also plays an active role in informing and working together with authorities, opinion leaders and political decision makers in order to promote the best possible framework in terms of public building codes etc. which will motivate a higher level of energy efficiency in buildings.

Relevant policies and sources

- *Group environmental policy (appendix E) www.rockwool.com*
- *Carbon Disclosure Project, www.cdproject.net*
- *ICC Business Charter for Sustainable development, <http://www.bsdglobal.com>*
- *Environmental Assurance Manual (Internal)*

Evaluation and expectations for the future

The ROCKWOOL Group considers itself to be very active in the development and diffusion of environmentally friendly technologies. It is part of the company's business to constantly keep developing and diffusing such technologies.

Special development 2012

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

Anti-corruption

10. The company should work against corruption in all its forms, including extortion and bribery.

Actions, systems and procedures

The ROCKWOOL Group has for many years had clear policies on business integrity covering various social, financial and corporate governance related areas.

The Group's manual on Business Ethics clearly states in details how employees should abstain from participating in any kind of corruptive actions such as bribery, receiving gifts, making improper donations etc.

For the procurement functions special additional rules apply.

All employees and managers are required to ensure that these principles are being followed.

Relevant policies and sources

- *Our mission and values, www.rockwool.com*
- *Group policy on business responsibility (appendix A) www.rockwool.com*
- *Group policy on business ethics (appendix B) www.rockwool.com*

Evaluation and expectations for the future

The ROCKWOOL Group has not been compromised by any case or relationship which has questioned the company's conformity with the internationally recognized standards for business ethics and non-corruptive behaviour.

The Group will maintain this position which is considered satisfactory.

A special focus could be to increase the share of suppliers and contractors signing the ROCKWOOL Group's Code of Conduct for Suppliers.

Special development 2012

In 2012, a number of actions have been taken that all will influence positively on the dissemination and monitoring of the ROCKWOOL Groups policies on human rights – including anti-corruption:

New framework for our way of working

In 2012, the ROCKWOOL Group introduced 'the ROCKWOOL Way', a new framework for our way of working (read more in "Overview and introduction" p. 4).

New whistleblower policy

In 2012, the ROCKWOOL Group introduced new whistleblower policy (read more in “Overview and introduction” p. 4).

New audit procedure for suppliers

During 2012, the ROCKWOOL Group’s sourcing and procurement department has continued the implementation of a new structured supplier evaluation process (read more in “Overview and introduction” p. 4).

Code of Conduct for Suppliers to be reviewed

As a part of the extension of the supplier control it was in 2012 decided to review the ROCKWOOL Group’s Code of Conduct for Suppliers (read more in “Overview and introduction” p. 4).

Code of Conduct for suppliers – also for local suppliers

In 2012 it was decided to extend the use of the Code of Conduct for Suppliers to also include suppliers under contracts with local ROCKWOOL affiliates (read more in “Overview and introduction” p. 5).

Human rights now included in Risk Management System

The ROCKWOOL Group’s Risk Management System has been further developed and does now also cover human rights – including anti-corruption (read more in “Overview and introduction” p. 5).

Appendix A

Group policy on business responsibility

All managers will conduct their business in such a way that customers, employees and the general public will consider companies within the ROCKWOOL Group as responsible and reliable firms. In particular, they will ensure that they act within the laws and regulations applicable to their business.

Appendix B

Group Policy on business ethics

Guided by the ROCKWOOL Group values, we encourage our employees to build appropriate relationships with our business partners. With regard to such matters, good judgment is always required as it is difficult to list rules that can anticipate every possible situation without being overly prescriptive and harmful to the professional relationship. However, we must seek an appropriate balance between building and maintaining strong relationships and ensuring that our professionalism is maintained and our integrity never impaired.

To help our employees to act accordingly a set of mandatory rules have been implemented. The most important are summarized below:

- We always comply with laws, regulations and standards that apply to us in our professional conduct.
- We do not give or accept bribes as we strive for fair competition.
- We do not participate in laundering money from criminal activities. This means we actively document and trace financial transactions with our business partners.
- We do not pay criminals for protection but we organise protection of our employees and assets via legalised and recognised companies when needed.
- We do not give or receive big gifts of any kind still respecting cultural traditions in the countries where we operate.
- All border line situations or deviations to these rules are to be reported to management in order to ensure a full transparency within the Group.

This appendix is a summary. The full business ethics policy is published on the Group's intranet and contains further details which help our employees to act when they are facing doubtful situations.

Appendix C

Group policy on social responsibility

The ROCKWOOL Group will work in order to continuously improve our social performance by setting high objectives and integrating social, human rights and health & safety considerations into our daily business. The Group will maintain an open dialogue with our stakeholders and report annually on our social performance.

- The Group supports the United Nations Universal Declaration of Human Rights.

Appendix D:

Code of Conduct for Suppliers to the ROCKWOOL Group

The ROCKWOOL Group is committed to running its business on ethically and environmentally-sound principles. We wish to ensure that we act responsibly in accordance with ethical, legal and international standards of behaviour and we endeavour to continuously improve our social performance.

The ROCKWOOL Group supports the United Nations Universal Declaration of Human Rights.

We expect our suppliers to uphold similar principles. This Code is designed to explain our expectations to our suppliers in more detail.

Compliance with Applicable Laws and Standards

We expect our suppliers to comply with all international, national and local laws and standards relating to employment, environmental, purchasing and manufacturing practises.

Employment Practices

The ROCKWOOL Group wishes to ensure that the working practices of our suppliers towards their employees regarding such issues as equal opportunities, Trade Union recognition and fair employment terms comply with or exceed national and internationally accepted standards. We would expect all suppliers to strive towards reducing any potential risk to their employees and to provide them with safe and healthy working conditions.

Environmental Practices

We would expect our suppliers to comply with the environmental standards and regulations relevant to their business and to practice sound environmental principles in their operations.

The ROCKWOOL Group has adopted the ICC “Business Charter for Sustainable Development – Principles for Environmental Management”, which identifies responsibilities, requires an Environmental Officer to be appointed, expects us to have an Environmental Management System with specific 3 year plans and expects all new machinery to be environmentally risk assessed before coming into operation. We will encourage each of our suppliers to follow these principles.

Purchasing Ethics

Employees of the ROCKWOOL Group, irrespective of their position in the organisation, will not accept any gift from a supplier (either directly or indirectly) that could appear to influence their decisions on sourcing and contracting issues.

Please ensure that your employees, your suppliers and your sub-contractors are not only aware of these guidelines, but are also committed to uphold the principles set out above.

Compliance with these guidelines is seen as the basis of a good, constructive and professional working relationship between our companies. Any deviation from these guidelines could detrimentally affect this relationship.

Appendix E:

Group Environmental Policy

With the commitment of all the subsidiary companies, and in consultation with their managing directors, the ROCKWOOL Group has drawn up an environment policy. In accordance with this, our companies undertake:

- to have an environmental management system, which describes responsibility and control procedures, and to make constant improvements to this system
- to ensure that the factories do not cause problems for their neighbours of a more serious nature than is normal in an area also housing industry
- as a minimum, to comply with the conditions imposed on them by the regulatory authorities; if this is not happening in any given area, then to inform the authorities immediately and to take steps enabling compliance
- to maintain an open dialogue with stakeholders - customers, regulatory authorities, investors, employees, suppliers and neighbours - in order to ensure that relevant interests and requirements concerning environmental issues are met
- via the Group's environmental department, to carry out audits at the plants to assist the environmental work of the manufacturing companies

The ROCKWOOL companies have acceded to the International Chamber of Commerce (ICC)'s Environmental Charter for Sustainable Development – Principles for Environmental Management.