

**2021**

**STATEMENT**



Belron® International Limited  
Modern Slavery: Our approach to making a difference

**This Modern Slavery Statement was formally approved by the Belron® International Limited Board on 14 June 2021**

### **Our business - structure**

Belron® International Limited acts as the central support and procurement hub of all operations on behalf of the Belron® Group (referred to as 'Belron®' throughout this statement). Belron® is the worldwide leader in vehicle glass repair, replacement and recalibration (VGRRR) operating in 40 countries, through wholly owned business units and franchises, with market leading brands – including Autoglass®, Carglass®, Lebeau Vitres d'autos®, Speedy Glass®, Safelite® Autoglass, O'Brien® and Smith&Smith®. Aside from dealing directly with customers, Belron® manages vehicle glass and other insurance claims on behalf of insurance companies. Each of the Belron® business units is led and operated by a separate executive team who have direct engagement with the global leadership team at Belron® International.

For clarity, the Belron® business units including Belron® UK have their own supply chains for products and services procured locally and are responsible for conducting their own due diligence and for complying with any local modern slavery legislation.

### **Our business - people & culture**

Belron® has been a signatory to the United Nations Global Compact (UNGC) for the past 10 years. Belron® International and the Belron® business units have been aligning its strategies and operations to undertake business responsibly in accordance with the UNGC's Ten Principles of responsible business in the areas of labour, human rights, environment and anti-corruption. We are members of the UNGC UK Local Network and engage in issues-based events on learning and knowledge sharing with other businesses and civil society experts.

The Belron® International approach to Responsible Business is driven by the Belron® purpose of "making a difference with real care" and reflects the culture of the business - the 'Spirit of Belron' which incorporate the core values of Collaborative, Driven, Caring and Genuine. These values guide our approach to the way we work with each other, the way we engage with our partners and the way we manage our business.

Human rights are a fundamental pillar of our Responsible Business strategy and are addressed in the [Belron® Code of Ethics - Our Way of Working](#) (the Code) which represents our core principles of Integrity, Respect and Trust. The Code, which is applicable to everyone at Belron® International as well as the Belron® businesses around the world, commits us to;

- always respect the human rights of everyone who works for us and on our behalf;
- encourage partners, suppliers and other third parties to adopt similar standards of respect;
- understand that we will not work with any organisation that fails to uphold basic human rights or one that might cause the company embarrassment by their links to inappropriate organisations or regimes;
- report any concerns about human rights abuse immediately; and



- respect the rights of our colleagues to be involved in trade unions or collective bargaining arrangements.

The Code which incorporates “Our Way of Working” is a public document available through the Belron® website. Awareness of the Code is included in the induction process for all new people joining Belron® International.

Belron® also maintains a Speak Up facility that provides a channel to raise concerns about behaviours or activities not aligned to The Code and its principles. Every issue raised through the Speak Up facility is investigated by the Belron® International legal team with support from the local businesses, and appropriate action taken where necessary.

In the last year, the provider of the Speak Up facility has changed from Expolink to NAVEX Global following an acquisition of the former by the latter. The Responsible Business team at Belron® International provided each of the Belron® businesses with support to promote this change and reinforce to employees the importance of speaking up. No instances of modern slavery were reported to Speak Up in the last 12-months (since our previous Modern Slavery statement).

The People team at Belron® International follow a rigorous recruitment process aligned to local employment law that includes carrying out appropriate checks regarding each individual’s eligibility to work and contracts of employment. We are committed to promoting a workforce free of discrimination and harassment and provide fair and equitable pay, benefits and other conditions of employment in accordance with local laws.

### **Assessing our activities**

Belron® International and all the Belron® business units continue to use the EcoVadis assessment tool to measure and benchmark its Responsible Business approach. This helps us assess our policies; the actions to implement the policies; and the results, under four themes: environment, business ethics, labour practices and human rights, and sustainable procurement. The assessment survey is based on recognised international standards such as the Global Reporting Initiative, International Labour Organisation conventions, and the United Nations Global Compact Ten Principles of Responsible business. The Belron® International current score places the company in the top 5% of businesses in the same industry, as rated by EcoVadis.

### **Our supply chain**

Belron® International sources and manages the procurement of certain core products and services required by the Belron® business units globally. Centrally procured products include vehicle glass, trims, adhesives, workshop equipment, tools, consumables, and products for resale. Centrally procured services include categories such as IT maintenance, professional services, and vehicle lease providers. Other products and services required by the Belron® business units locally are sourced and managed through their own local supplier network.

Suppliers that have a direct contractual relationship with Belron® International are classed as Tier 1 suppliers. Upstream suppliers of raw materials (and parts or components thereof) as well as other goods and services procured without such a direct relationship e.g. via an agent or other commercial partners, are classed as suppliers in Tier 2 or beyond.



The Tier 1 supply base is fully global covering 120 production sites and is based primarily on relationships with a small number of long-term commercial partners. In general these are large, well known multinational companies with global footprints. We also have some close relationships with smaller specialists.

In 2020 Belron® International established a new Sustainable Procurement programme with the purpose of embedding sustainability at the forefront of all purchasing strategies and buying decisions. The programme is structured around three key pillars:

- **Transparency**
  - Working towards achieving total visibility of the complete supply chain
  - Ensuring our suppliers have visibility of our requirements and expectations
- **Assurance**
  - Ensuring that required standards are being met, through remote and on-site assessments and audits
- **Reward**
  - Incentivising suppliers to improve
  - Awarding business based firstly on Sustainability performance
  - Recognising suppliers for outstanding achievements

To manage the new programme a team has been established at Belron® International, led by the Head of Sustainable Procurement, with dedicated resources and a ring-fenced budget. Identifying modern slavery risks and solutions in our supply chain is one of the top priorities of this important new programme as well as the measurement and management of other social and environmental sustainability risks.

As a key first activity of the programme, we launched a new [Supplier Code of Conduct](#) (the Supplier Code) for all Belron® International suppliers. It includes the high standards and expectations of all suppliers that must be met in order for an organisation to become and remain a supplier.

The Supplier Code is available via the Belron® website and has been communicated to all Belron® International Tier 1 suppliers. Each organisation is obliged to adhere to the standards set out in the document.

The Supplier Code includes a specific section (3.4) on modern slavery, stating our position as follows:

- We expect suppliers to comply with all applicable labour laws, and to respect and support the protection of human rights of workers as well as individuals and communities affected by their activities.
- Suppliers must never use or support practices that inhibit the development of children, and must not employ anyone under the age of 16 years or, where it is higher, the mandatory national school leaving age. Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- Suppliers must not use any form of involuntary labour including forced, prison or debt-bonded labour.



- Suppliers must not require workers to surrender any government issued identification, passport or work permit, or other personal documents, as a 'deposit' or condition of employment.
- Full compliance with any applicable Modern Slavery legislation or equivalent is essential, and suppliers must validate their employees' rights to live in the country in which they are based and provide a written contract of employment in a language understood by the employee.
- Where the supplier provides living quarters to employees, such quarters must be fit for purpose and meet all legal regulations. Additionally, employees must have the right and ability to leave the quarters as and when they wish.

The Sustainable Procurement programme aims to drive and incentivise supplier Sustainability performance, with those suppliers who demonstrate good performance and continuous improvement being favoured above others when it comes to awarding business. From 2022, the best suppliers will be formally recognised by Belron® International for sustainability excellence.

### **Our supplier due diligence**

In the past 12 months, the Sustainable Procurement team has mapped the Belron® International Tier 1 supply chain covering all production sites of centrally procured goods and services. This has supplemented the Supplier Management Programme that was described and set out in the Belron® International 2020 statement and was done in order to have fuller transparency of all production locations globally. This exercise was completed in close collaboration with the suppliers and formally validated by them.

During the second half of 2021 we will be working with our Tier 1 suppliers to map our Tier 2 suppliers. By the end of 2021, we aim to begin mapping Tier 3 suppliers using a risk based assessment of modern slavery. We expect this work to continue through 2022.

All purchased products and services categories managed by Belron® International, have been through a desk-based modern slavery risk assessment to provide clarity on the level of potential risk present in each category and location, an exercise which is to be undertaken on an annual basis. The results of the risk assessment are used to prioritise and schedule bespoke independent on-site social and environmental audits.

*An example of a highlighted potential risk: one goods category (professional grade rubber gloves "Nitrile Gloves") that are routinely used in the fitting of vehicle glass, was assessed as having a risk of modern slavery. This is due to a major part of its general global production being located in Malaysia. Belron® International conducted research in collaboration with its suppliers into the source of its procured Nitrile Gloves. It was found that Belron® International does procure Nitrile Gloves from Malaysia via a Tier 1 supplier based in Europe. A social and environmental audit, incorporating a modern slavery risk assessment has been arranged for the Malaysian site and will take place in Q.3 2021.*

To support the new auditing approach we have developed a bespoke supplier social and environmental site audit, closely aligned with our purpose and values as reflected in the Supplier Code of Conduct that covers modern slavery in addition to health & safety, environment, labour and values. We have partnered with two world class, global audit providers, that have been selected to undertake



site audits and who will also provide advice and assistance to further develop the Sustainable Procurement programme.

The programme of site audits is now underway and will accelerate through Q.3 and Q.4 2021, with the aim of conducting audits on all Belron® International Tier 1 sites by the end of Q.3 2022. Going forward, all audited sites will be re-audited annually. A key aspect of the on-site audit is direct dialogue with workers at the production sites. This is done in local languages by the expert audit providers we use. Answers are anonymised and the results are communicated to Belron® International.

Any non-compliances found will be addressed in a timely manner and with vigour. If any instances of modern slavery are found at site level these will be reported to the Belron® International Board of Directors by the Head of Sustainable Procurement, with an appropriate action plan and timescales for improvements. They will also be detailed in the annual Modern Slavery Statement.

Following any non-compliance, the initial focus will be working with the supplier to resolve any issues, however we are also developing a Supplier Responsible Disengagement policy to formally cease trade with any suppliers who may demonstrate an unwillingness or inability to comply or to address any issues.

### **Training and awareness**

To support the new Sustainable Procurement programme, we are committed to providing refresher training to all Belron® International employees and training to new employees as part of on-boarding, to be able to recognise modern slavery and help mitigate the risk of incidents. This training will be conducted in partnership with external providers that specialise in modern slavery and human trafficking awareness.

A handwritten signature in black ink, appearing to read "G. Lubner".

Gary Lubner, CEO

Date: 17-06-2021

Belron® International Limited Board

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Belron® International Limited during the financial year ending 31 December 2020 and was approved by the Board on 14 June 2021.