



## Slavery and Human Trafficking Statement for the 2018 Financial Year

*This statement sets out the steps that the Klöckner Pentaplast Group is taking to ensure slavery and human trafficking is not taking place in our supply chains or in any part of our business. It represents the Klöckner Pentaplast Group's modern slavery disclosures for the 2018 financial year, made pursuant to obligations including those set out in Section 54 of the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act of 2010.*

### *Our commitment*

The Klöckner Pentaplast Group is committed to maintaining and improving our practices to prevent slavery and human trafficking violations related to our own operations and our supply chain. We expect our suppliers and supply chain to comply with our aims in this regard. We are committed to compliance with the letter and the spirit of the laws of all countries where we do business, and to conducting all of our business in accordance with high standards of international business ethics, including International Labour Organisation standards.

### *About us, our operations and supply chain*

The Klöckner Pentaplast Group is a global leader in rigid and flexible packaging and specialty film solutions, serving the pharmaceutical, medical device, food, beverage and card markets, amongst others. With a broad and innovative portfolio of packaging and product films and services, Klöckner Pentaplast plays an integral role in the customer value chain by safeguarding product integrity, assuring safety and consumer health, improving sustainability and protecting brand reputation. Founded in 1965, Klöckner Pentaplast has 32 plants in 18 countries and employs over 6,400 people committed to serving customers worldwide in over 60 locations.

Our supplier base is mainly in the UK, Europe and the U.S. Our main procurement categories include:

- Plastics
- Recycled materials
- Chemical products (raw materials)
- Machinery

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## *Klöckner Pentaplast's slavery and human trafficking risks*

Klöckner Pentaplast Group has been awarded a Silver rating from respected independent ratings agency EcoVadis, which found that overall, our practices across a range of metrics (including labor and human rights standards and ethics) place us in the top 30% of suppliers within the plastics manufacturing industry. Nonetheless, we also understand that no supply chain is free from modern slavery risk.

## *Our policies and practices*

The following sets our direction to manage modern slavery risks in our business and supplier base:

- Klöckner Pentaplast is committed to the prevention of modern slavery, servitude, human trafficking, or any forced or compulsory labor anywhere in our supply chain, and we expect our suppliers, vendors, and other third parties to take steps to prevent such practices occurring in their own businesses or supply chains. We will immediately take steps to cease business with any third party which we discover to be complicit in such practices, and will make any required reports to the relevant authorities.
- We have adopted and are in the process of implementing a revised and updated Code of Business Conduct and Ethics (the *kp Code*) that contains specific provisions addressing human rights, labor and business conduct and expressly states our commitment to the prevention of modern slavery, servitude, human trafficking, and any forced or compulsory labor. Any employee who violates the *kp Code* will be subject to disciplinary action, up to and including termination of employment. The *kp Code* also expresses our expectation that Klöckner Pentaplast suppliers, consultants, agents, distributors, vendors, and other third party representatives will commit to compliance with the *kp Code*, and therefore also to the modern slavery standards set out therein.
- Our whistleblowing policy encourages and enables staff to report anything of concern and explains how they can do so confidentially and anonymously (if preferred). We do not permit retaliation of any kind against employees or other persons for complaints submitted in good faith. Additionally, no employee will be adversely affected or disciplined by the Company because the employee refuses to carry out a directive which, in fact, constitutes a violation of any laws or the *kp Code*.
- During the past year, we provided key members of our global and local purchasing teams with training on modern slavery and human trafficking; educating them on the subject and reiterating the requirements of the *kp Code* to prevent all forms of modern slavery, servitude, human trafficking, or any forced or compulsory labor. We also began working with our risk management department to incorporate modern slavery and human trafficking indicators into our supplier auditing program.



## *Looking ahead*

- In the coming year, Klöckner Pentaplast will provide any new key members of our global and local purchasing teams with training on modern slavery and human trafficking. Our contract standards will provide that contracts we enter into with our suppliers include a requirement that such suppliers comply with all applicable laws in supplying goods or services to us, which would encompass compliance with any such laws related to modern slavery and human trafficking. We will enhance our supplier auditing program to address and enforce our policies with respect to modern slavery and human trafficking. Through our internal auditing program, we will put into place internal controls to monitor compliance with the updated kp Code and our policies. We will also continue to undertake ongoing reviews of our policies, programs, and strategies to prevent all forms of modern slavery and human trafficking in our operations and supply chains.

Scott Tracey, CEO

June 28, 2019

This statement is made by KP Holding GmbH & Co. KG and LINPAC Senior Holdings Ltd. Pursuant to section 54(1) of the Modern Slavery Act 2015 and on behalf of relevant affiliates in the Klöckner Pentaplast Group (and the LINPAC business within that Group).