



## Slavery and Human Trafficking Statement for the 2017 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 2017 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, printing and specialty solutions, serving pharmaceutical, medical device, food, beverage and card markets, among others. With a broad portfolio of packaging, films and services powered by innovation, Klöckner Pentaplast plays an integral role in its customers' value chains by marketing and safeguarding product integrity, assuring safety and consumer health, and protecting brand reputation. Founded in 1965 in Montabaur, Germany, Klöckner Pentaplast has operations in 18 countries and employs over 6,300 people committed to serving customers worldwide from 61 locations, including 35 production sites.

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

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

Klöckner Pentaplast Group has received a high corporate social responsibility rating from respected independent ratings agency EcoVadis, which found that overall, our practices across a range of metrics (including labor standards) rank in the top 8% of suppliers within the plastics manufacturing industry. Nonetheless, we also understand that no supply chain is free from modern slavery risk.

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## *Our policies*

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 developed and are in the process of implementing a revised Code of Conduct that contains specific provisions addressing human rights, labor and business conduct and expressly states our commitment to the prevention of modern slavery. Any employee who violates the Code of Conduct will be subject to disciplinary action, up to and including termination of employment. The Code of Conduct also expresses our expectation that Klöckner Pentaplast suppliers, consultants, agents, distributors, vendors, and other third party representatives will commit to compliance with our Code of Conduct, 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 Code of Conduct.

## *Looking ahead*

In the coming year, in addition to continuing to implement our revised Code of Conduct, Klöckner Pentaplast will furnish key members of our global and local purchasing teams with training on modern slavery, educating them on the subject and the stand we take in our Code of Conduct and for the first time extending the training to these individuals in all relevant areas of our business who have not had that training previously. We also intend to introduce a robust due diligence check that specifically assesses and verifies any potential modern slavery issues with regard to suppliers within our supply chain, and put in place internal controls that monitor compliance. The contracts we enter into with our suppliers will require that they will comply with all applicable laws in supplying goods or services to us, which would encompass compliance with any such laws related to modern slavery. We do not currently conduct site visits to audit the modern slavery compliance of our suppliers specifically, but we are committed to the ongoing review of our strategy to prevent modern slavery in our operation and supply chains in the future.

Daniel Dayan, CEO

June 27, 2018

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).