



## Slavery and Human Trafficking Statement for the 2020 Financial Year

*This fourth 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 2020 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 the International Labour Organisation's Declaration on Fundamental Rights at Work.

In 2020, the Klöckner Pentaplast Group introduced our new Strategic Compass, outlining our vision as we work towards our goal of becoming a global leader in sustainable products. This Strategic Compass defines our core values, core behaviours, strategic imperatives and strategic value proposition. We believe these values of safety, teamwork and sustainability and behaviours of focus, accountability and respect carry through to all aspects of our work, how we do business and how we care about and support our communities.

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

For more than 50 years, the Klöckner Pentaplast Group has been producing the world-class innovative high-barrier protective films for leading companies across the globe. Our films safely package food, protect pharmaceuticals, and deliver products. We make film for everything from credit cards, to decorative surfaces to pharmaceutical and medical device packages. 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 31 plants in 18 countries and employs over 5,900 people committed to serving customers worldwide.

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Sustainability is key to our future. That's why we aim to address all of its components: environmental protection, social responsibility and economic development. In early 2021, we launched "Investing in Better", our broad and ambitious sustainability strategy which drives us to design new, recyclable products and to close the loop by using more recycled material in their production. We will also become more efficient, cut carbon emissions, and help our customers and end-consumers play their part. Working with others to make our industry more sustainable is critical, as is making sure our people and those working in our value chain are safe, mutually respected and engaged as they help us do better.

With over 9,700 suppliers based globally, our two main procurement categories are

- plastics and chemicals used to make our finished product, and;
- goods and services not for resale used to run our business such as machinery, transportation utilities and professional services.

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

Klöckner Pentaplast Group has been awarded the Gold Medal rating from respected independent ratings agency EcoVadis, which found that overall, our practices across a range of metrics (including labor and human rights standards) ranks in the 94<sup>th</sup> percentile and the top 3% of suppliers within the plastics manufacturing industry. Nonetheless, we also understand that no supply chain is free from modern slavery risk.

### *Our policies and practice*

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

- Our employees work in a safe and secure environment and we offer opportunities for development and advancement. It is our commitment to maintaining the highest standards of business conduct and corporate governance practices.
- In late 2020, Klöckner Pentaplast adopted a Supplier Code of Conduct, committing to operating ethically to maximize the long-term sustainability of our business. 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 share the same core values. We require that our suppliers operate ethically by acknowledging our Supplier Code of Conduct which provides guidance for doing business with Klöckner Pentaplast. We are committed to continually improving our operations and expect our suppliers to promote similar principals throughout their supply chain. 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.
- Our Code of Business Conduct and Ethics (the *kp Code*) 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. Every employee receives a copy of the *kp*



Code during their on-boarding to the company, and through refresher training. Any employee who violates the kp Code will be subject to disciplinary action, up to and including termination of employment.

- 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.

### *Looking ahead*

In the coming year, Klöckner Pentaplast will

- provide key members of our global and local purchasing teams with training on modern slavery and human trafficking;
- utilize a holistic risk-based approach to supplier engagement; and
- we will 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.

This statement is made by the board of managers of Kleopatra Senior Holdings GP S.à r.l., pursuant to section 54(1) of the Modern Slavery Act 2015 and on behalf of its subsidiaries and affiliates in the Klöckner Pentaplast Group and signed on their behalf by

A handwritten signature in blue ink, appearing to read 'SM Tracey', written over a light blue horizontal line.

Scott Tracey, CEO

June 30, 2021