



klöckner pentaplast

Anti Slavery and Human Trafficking Statement for the 2023 Financial Year

This statement is made by Kleopatra Holdings 2 S.C.A. and all relevant subsidiaries (the "Klöckner Pentaplast Group") pursuant to obligations set out in section 54 of the UK Modern Slavery Act 2015, the California Transparency in Supply Chains Act of 2010 and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act. This statement sets out the steps that the Klöckner Pentaplast Group has taken to combat modern slavery, including forced labour, human trafficking and child labour in both our supply chains and business for the 2023 financial year.

Our commitment

The Klöckner Pentaplast Group (the "Company") is committed to maintaining and improving our practices to prevent modern slavery violations related to our operations and supply chain. We expect our suppliers and supply chain to comply with our aims in this regard. We are committed to compliance with both 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.

Our Corporate Strategy outlines our vision as we work towards our goal of becoming a global leader in sustainable products. We must use our core values and core behaviours in everything we do. The Corporate Strategy 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.

In 2022, the Company furthered its commitment to being a global leader for ethical business when we formally became a member of the United Nations Global Compact (UNGC), whose goals align with our mission and purpose. The ten principles on Human Rights, Labour, Environment and Anti-Corruption are the same as our values.

About us, our operations and supply chain

For more than 50 years, the Company has been producing 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 meat trays, 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

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sustainability, and protecting brand reputation. Founded in 1965, the Klöckner Pentaplast Group has 30 plants in 18 countries and employs over 5,700 people committed to serving customers worldwide.

With over 10,000 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 record on managing modern slavery risks

The Company has been awarded the Gold Medal rating from respected independent ratings agency EcoVadis for the third year in a row, which found that overall, our practices across a range of metrics (including labor and human rights standards) and ranks in the top 2% of suppliers within the plastics manufacturing industry. Nonetheless, we also understand that no supply chain is free from modern slavery risk and are committed to dedicated monitoring and adherence to best industry practices to manage labor practice risks.

Our policies and practice

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.

Supplier Code of Conduct

- The Company refreshed its Supplier Code of Conduct in 2023, which commits the Company to operating ethically and according to our values. The Company is committed to the prevention of modern slavery, including 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 take steps to suspend or allow corrective action, or in the end 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.
- In 2023, the Company conducted an ESG risk assessment on all of our suppliers and continues to apply risk assessment procedures prior to engaging with new suppliers. Since 2023, we have used a cloud-based system to categorise and analyse risk exposure in our supply chain. We place specific focus on strategic and/or high risk suppliers and we use data to screen them based on ISO and NACE codes that account for the following factors:
 - Country governance, track record and infrastructure for monitoring and enforcement of human rights and labour laws;



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- Type of manufacturing process or operational activity and the related risks to worker health and safety; and
- Critical political, current affairs or business news screening.
- The evaluation of suppliers in scope is through self-assessment. Selected strategic or high-risk suppliers fulfill five ESG assessments in a more concrete manner via the cloud-based system on key areas of environmental protection, human rights and labour, anti-bribery and anti-corruption, health and safety and supply chain responsibility. An extra assessment on conflict minerals is assigned to those suppliers with specific risk in that area.
- For a more comprehensive summary of our expectations for our suppliers, please refer to our Supplier Code of Conduct through this link: [Supplier Code of Conduct](#).

Code of Business Conduct and Ethics

- 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. Each employee receives a copy of the *kp Code* during the on-boarding process, and through annual refresher training. Any employee who violates the *kp Code* will be subject to disciplinary action, up to and including termination of employment. The *kp Code* may be found through this link: [KP Code of Business Conduct and Ethics](#).

kpEthicsHotline

- 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*.

Group Labour and Human Rights Policy

- In furtherance of our commitment to upholding human rights, the Company has introduced our Group Labour and Human Rights Policy in 2023 which reiterates our position on respect for human rights and dignity of all people. The policy may be found through this link: [Group Labor and Human Rights Policy](#).

Training

Key members of the global and local purchasing teams receive targeted training on modern slavery and human trafficking during their on-boarding to the company, and are retrained annually. All Company employees are required to certify each year they have read the *kp Code* and agree to adhere to the policies contained therein.

Remediation

The Company has not identified any incident of forced labour or child labour in our activities or supply chain during the 2023 financial year. We therefore do not need to take any remediation measures. If we do at any time identify any



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forced labour activities, we will consider the appropriate action and remediation strategy to be in compliance with international standards.

Looking ahead

In the coming year, the Company will continue:

- Our risk assessment on suppliers with a focus on Environment, Human Rights and Political risks;
- With internal procurement training on “Value Chain Risk Management”; and
- Ongoing reviews of our policies, programs, and strategies to prevent all forms of modern slavery, including forced labour, human trafficking and child labour in our business and supply chains.

This statement has been approved by the board of managers of Kleopatra Senior Holdings GP S.à r.l., on behalf of its subsidiaries and affiliates, pursuant to section 54(1) of the UK Modern Slavery Act 2015 and subparagraph 11(4)(b)(ii)] of the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

In my capacity as Chief Executive Officer of the Klöckner Pentaplast Group, and not in my personal capacity, and in accordance with requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I attest to have reviewed the information contained in this statement. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this statement is true, accurate and complete in all material aspects for the purposes of the Act and for the reporting year listed above.

A handwritten signature in black ink, appearing to read 'Roberto Villaquiran', written over a faint, circular watermark or background element.

Roberto Villaquiran, Chief Executive Officer of the Klöckner Pentaplast Group

On behalf of the Klöckner Pentaplast Group

June 30, 2024