

Modern Slavery Transparency Statement

1. Introduction

Elopak's Modern Slavery transparency statement has been developed to comply with the legal requirements as stated in the UK Modern Slavery Act 2015, valid to Elopak AS from 2016. The reporting requirements apply to Elopak as a supplier of goods with a total turnover of £36 million or more in the UK. The statement is valid for Elopak AS and all its consolidated subsidiaries. These include, but are not limited to, the fully owned legal entity Elopak UK Limited.

This Modern Slavery transparency statement sets out what Elopak has done to ensure that potential risks of slavery and human trafficking are identified and adequately managed within our business and supply chains.

2. Organizational Structure and Supply Chains

Elopak is a leading global supplier of carton packaging and filling equipment for liquid food, catering to both the fresh and ambient markets. Elopak AS was founded in Norway in 1957 and is wholly owned by the Ferd Group. A global corporation with operations on all continents, Elopak employs 3,000 people and sells in excess of 15 billion cartons every year across more than 80 countries.

Our supply chains are predominately European. Our cartons are produced at Elopak production plants in Denmark and the Netherlands where key raw materials are mainly sourced from Sweden, Finland, Germany, the Netherlands, Switzerland, France, Belgium, China and USA. Closures are sourced from third party suppliers based in Germany, Luxembourg, Hungary, Spain and the UK. Equipment is produced or sourced via a German based Elopak company, ultimately from Italy or Japan.

Elopak UK's principal activities are the selling of beverage cartons, and installation, and maintenance of equipment required to fill such cartons. The installation and maintenance of equipment at our customer's sites is undertaken by Elopak UK engineers or engineers from other European companies in the Elopak Group or third-party engineering companies in the UK or Ireland.

3. Policies in relation to slavery and human trafficking

At Elopak, we intend to uphold the highest ethical standards in all our business operations. We work from a simple, yet comprehensive and effective set of values: We think clearly, act dynamically, and always behave with integrity.

Elopak is committed to maintaining high ethical standards in all business operations and has zero tolerance against harassment and any type of behavior that may offend or cause unpleasantness to other stakeholders.

Elopak respects and promotes human rights as defined by the United Nations in the 30 articles of the common standard, Universal Declaration of Human Rights. Elopak expects the same from the company's suppliers and business partners.

All employees must comply with our **Code of Conduct** and **Anti-Corruption Policy**. Our Code of Conduct and Anti-Corruption Policy outlines our commitment to behave with integrity towards employees, communities, and other

business partners of Elopak. The Code of Conduct and Anti-Corruption Policy is our commitment to always act in accordance with acceptable ethical standards, take responsibility for our actions and ensure that the entire company complies with local laws and regulations in the countries we operate.

https://www.elopak.com/wp-content/uploads/2019/12/CodeOfConduct_English.pdf

All Elopak employees sign a Confidentially Undertaking as part of their formal employment contract with Elopak. The agreement states that they will follow codes of behavior in respect of ethical dilemmas defined by Elopak in its Code of Conduct and Anti-Corruption Policy.

<https://www.elopak.com/about/our-social-responsibility/>

Employees in Europe are organized in the European Works Council, in addition to local Works Councils, and are involved in any major management decision in Elopak.

4. Reporting concerns and whistleblowing channel

Employees and external stakeholders are encouraged to report suspected or actual breaches of laws and regulations or cases of misconduct and unethical business conduct. Such reporting can be done through the line management or through **Elopak's whistleblowing channel**. The whistleblowing channel permits a secure and confidential reporting option. Elopak's whistleblowing channel is managed by an external professional service provider. The service provided ensures that Elopak employees and external stakeholders can report their concerns anonymously with no ability to trace back to the notifier. Elopak takes all reported concerns seriously and internal investigations are carried out as required. Elopak has zero tolerance for retaliation against whistleblowers who raise concerns in good faith.

5. External partnerships

Elopak holds several memberships in various organizations that gives us perspective and useful insights in order to influence and improve our sustainable business practice and positive impact on societies.

- Elopak is a participant member of the **UN Global Compact**, the largest corporate sustainability initiative in the world. UNGC calls on companies to align their operations and strategies with ten universally aligned principles in the areas of human rights, labor, environment and anti-corruption, and to take action in support of the UN Sustainable Development Goals.
- Elopak is a member of **Ethical Trade Norway**, a Norwegian member based, non-governmental organization and resource center for sustainable business practice and trade. **Ethical Trade Norway** provides guidance, training, tools and capacity building, to secure responsible business practices in the supply chain with focus on securing human rights, workers' rights, society and environmental standards. They also require all members to report annually on sustainable business practice performance and development in accordance with their minimum requirements and reporting standard.
- To improve our practices and to build transparency with our customers Elopak is a member of **Sedex**, the Supplier Ethical Data Exchange. **Sedex** is a non-profit membership organization and collaborative platform focusing on driving improvements in supply chains in the areas of labor rights, human rights, health & safety, the environment and business ethics.
- Since 2017 Elopak are continuously reporting and monitoring its Corporate Social Responsibility (CSR) performance on the sustainability rating platform **EcoVadis**.

- Since 2020 Elopak are using the **Ecovadis** platform to assess key suppliers on their sustainability/CSR performance.

6. Responsible supply chain and due diligence

Elopak is committed to conducting business in a responsible manner and to account for social and environmental aspects in our value chain. Responsible sourcing is a key strategic objective and is reflected in our procurement policy and practice.

Our Corporate Procurement functions is a mix of central and local teams. Our key raw materials are sourced centrally while sourcing of equipment, components, parts and services to our customers in addition to goods and services to our own production sites are sourced both centrally and locally.

Supplier Code of Conduct

Elopak has established a global Supplier Code of Conduct (“SCoC”), setting forth our expectations in the areas of business ethics, human rights, labor practices, health and safety and the environment. It is based on the ten principles of the UN Global Compact, the UN Declaration of Human Rights and core ILO (International Labor Organization) conventions and compliance with applicable law.

The SCoC clearly outlines that a supplier must respect basic human rights in its business and supply chain and must adhere to the SCoC principles with regards to forced labor, freedom of association, the right to collective bargaining, child labor, fair and equal treatment, working hours, wages and benefits and regular employment. <https://www.elopak.com/wp-content/uploads/2019/12/FOR10202-Elopak-Global-SCoC.pdf>

Due diligence process

Elopak conducts risk-based integrity due diligence processes of our business partners including suppliers and providers of goods and services to ensure that the business partners’ reputation, background and abilities meet our standards. As part of the supplier qualification and performance monitoring process all new suppliers undergo a prequalification review including SCoC engagement.

Assurance process and risk assessment

Elopak requires its suppliers to comply with SCoC and to implement and promote corresponding measures in their own supply chains. The SCoC forms an integral part of all contracts and agreements with suppliers and functions as an integral part of the Supplier Qualification process.

Elopak Category Managers and Local Purchasing Managers are responsible for continuously ensuring that all our suppliers sign our SCoC or demonstrate conformance by documenting that corresponding policies or codes are in place, as part of all new and renegotiated contracts with Elopak.

If a supplier informs or we through audits or other means become aware of any non-conformance and/or the suppliers’ own framework and supporting documentation is not sufficient and in line with the Elopak SCoC, a plan of remedy with a clear timeline is agreed between both parties. Where a deviation cannot be improved or remedied, the business relationship may be renegotiated or terminated by Elopak.

Transparency and credible proof of sustainability is key to us, therefore we also ensure that the main raw materials, paperboard and renewable plastics, are sourced and verified through certifications systems, also considering social aspects, such as FCS™ and ISCC. For these raw materials stricter criteria for sourcing activities are specified in separate procedures.

7. Key Performance Indicators to measure effectiveness of steps taken

A supplier evaluation and performance assessment is performed as a minimum on an annual basis based on KPIs relevant to the supply category.

Compliance with the procedures described are monitored through Key Performance Indicators.

By 2020 approximately 95 % of our Raw Material suppliers and in total 75 % of all suppliers (by spend) had either signed our SCoC or demonstrated conformance.

8. Training

Elopak implemented an annual, mandatory compliance training for all employees called **PureEthics**. This is our Code of Conduct and Anti-Corruption Policy e-learning program in order to continuously focus on ethical behavior and compliance.

A more in-depth dilemma training workshop concept has also been developed for selected target employee groups like management, management teams in our legal units, employees in sales, marketing, purchasing and finance. Implementation of the workshops are followed up by Corporate HR.

The Procurement team has received introduction and initial training in Responsible Sourcing. Key Responsible Sourcing experts have been offered and conducted more detailed trainings.