

# 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 ASA 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 ASA 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 was founded by the Ferd Group in Norway in 1957 and is listed on the Oslo stock exchange. A global corporation with operations on all continents, Elopak employs 2,700 people and sells in excess of 14 billion cartons every year across more than 70 countries.

Our supply chains are global, and we have 11 production sites globally. Key raw materials are mainly sourced from Sweden, Finland, Germany, the Netherlands, Switzerland, Luxembourg, 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 Japan, China or Italy.

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

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**. Our Code of Conduct outlines our commitment to behave with integrity towards employees, communities, and other business partners of Elopak. The Code of Conduct 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/app/uploads/2022/04/CodeofConduct\\_English\\_final.pdf](https://www.elopak.com/app/uploads/2022/04/CodeofConduct_English_final.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.

<https://www.elopak.com/about/ethics-compliance/>

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 helpline**. The whistleblowing helpline permits a secure and confidential reporting option. EloPak's whistleblowing helpline 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 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 Supply Chain is a key strategic objective and is reflected in our procurement policy and practices and in our Responsible Supply Chain procedure. We are continuously working to effectively integrate Responsible Supply Chain considerations into our procurement process.

Our Group Procurement function 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>

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.

### Risk assessment and Due diligence process

Elopak procures a variety of goods and services and we recognize that our supply chain is a potential source of risk related to human and labor rights. Elopak has a risk-based approach to integrity due diligence processes of our business partners including suppliers to ensure that the business partners' reputation, background and abilities are assessed to meet our standards and regulatory compliance including that of Human Rights and Modern Slavery.

In order to address potential risk and issues related to Human Rights more efficiently with our suppliers, we focus on prioritized areas. We have conducted a high-level risk assessment and specified our Human Rights priorities with focus on forced labour and decent working conditions. The prioritized areas and suppliers have been identified considering geography/country risk, activity/industry as well as level of Elopak influence (e.g spend and strategic importance).

In line with our risk-based approach, we aim to conduct more thorough assessments for the prioritized areas with mitigating actions and follow-up plans where there is a higher risk for adverse human rights impacts.

Should we detect or be informed of human rights risks or adverse impacts in the non-prioritized areas of our supply chain, we will take appropriate action to mitigate risks there as well.

In parallel, we have also established more robust procedures ensuring that potential risks are identified and adequately managed and mitigated.

### **Supplier desk-based evaluations**

We utilize a questionnaire for new key or critical suppliers in order to evaluate if suppliers are able to meet our standards and expectations. The questionnaire covers all aspects in regard to Business Ethics & Compliance, Human Rights & Labour Rights, Health and Safety, Environment as well as the suppliers supply chain practices.

We also assess suppliers regularly with support of third-party sustainability/CSR risk assessment provider, EcoVadis, to monitor their performance including aspects of Human and Labor Rights and that of modern slavery.

Where suppliers do not meet our expectations and areas of weakness are identified, we work with them on corrective actions to better understand potential gaps and improvement areas. Re-assessments are conducted minimum bi-yearly depending on results of the initial assessments.

In case of material breaches or high risks we take immediate action as well as conduct more thorough due diligence activities and engagement with the supplier. If a supplier fails or shows unwillingness to improve or remediate the gap and/or key risk we evaluate what steps to take including appropriate contractual actions.

### **Assurance process**

Elopak Category Managers and Local Purchasing Managers are responsible for continuously ensuring that our Responsible Supply Chain principles and practices are followed and implemented.

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. Awareness raising and training**

Elopak has implemented an annual, mandatory compliance training for all employees. This is our Code of Conduct e-learning program in order to continuously focus on ethical behavior, human rights and compliance. Our Code of Conduct was updated in 2022 and a new e-learning course will be rolled out to the organization this year to reflect the changes.

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 were followed up by Group HR up until 2021, but going forward will be facilitated by Group Legal & Compliance.

Training session in form of nano-learning has been released to all employees to gain awareness and knowledge on the topic of Human Rights and Decent Working conditions and legal requirements.

Our global procurement network is continuously trained on Responsible Supply Chain considerations and practices. Key procurement resources have conducted specific training on risk assessment and management of key Human Rights risks. The remaining procurement network and other key stakeholder involved in the procurement process will conduct the same training during 2022.

This statement was approved by the Board of Directors of Elopak ASA on 25<sup>th</sup> October 2022.