

## SLAVERY AND HUMAN TRAFFICKING STATEMENT

### Company Description and organisational Structure

The B+K group is a leading full range supplier for flexible packaging made of plastics und plastic laminates as well as technical films, having a strong international network of sales representatives. With production locations in Germany, France, Great Britain and Poland the Group employs in total about 2680 employees. In the main factory in Lengerich/NRW the Group employs 1300 people and in Konzell/Bavaria 750. In 2016 the B+K group had a turnover of about 562 million Euro. Bischof + Klein's production program includes the whole range of flexible packaging from traditional industrial packaging to consumer packaging and special films for technical applications. For the manufacture of these products raw and auxiliary materials are sourced mainly from European suppliers. But aluminum- and plastic films as well as some plastic granules are received also from countries beyond Europe. For the procurement a "Lead Buyer Organisation" is responsible for the selection of suppliers and tender procedures. This organisation is described in the SOP BKPUR02 "Lead Buyer Organisation". Additional process descriptions can be found in the SOP QMH part B SOP 5.1 to 5.10 and QMH part C Process description 2.5.

### Ethic Policy with Relevance to the UK Modern Slavery Act

The ethic policy is described in the compliance program chapter 5 "Ethics" and includes the general policy statements concerning Modern Slavery Act:

1. Any kind of slavery, servitude and forced or compulsory labour as well as human trafficking are forbidden.
2. Suppliers are obliged to fulfil the requirements from above and confirm this in a written statement.
3. Furthermore B+K acknowledge the UN human rights Charta, the ETI-base code, ISO 26.000, and several national standards.

### Risk Assessment

A risk assessment based on certain product groups and countries lead to the conclusion, that only aluminum and polyester films as well as some plastic granules are sourced from outside Europe. For all other procurement processes it is assumed that there are no risks with regard to legal requirements.

### Due Diligence Processes

1. An important due diligence process is applicable in the selection and employment of employees. The Bischof + Klein Group complies with all relevant labour and employment laws applying maximum care.
2. The procurement activities identified in the risk assessment led to the introduction of a second due diligence process: Suppliers are obliged to confirm their compliance to the rules of the BME-Code of Conduct (Bundesverband Materialwirtschaft, Einkauf und Logistik e.V.), which includes in article III a ban of slavery, child labour and forced labour as well as an obligation to comply to human rights and other principles concerning social accountability.

### Effectiveness

In 2016 the analyses of supplier feedbacks delivered the following results:

1. Concerning the UK Modern Slavery Act part 1 no violations were observed against the ban of slavery, servitude and forced and compulsory labour as well as human trafficking. Even the intention to violate these rules could not be observed.

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2. Concerning the UK Modern Slavery Act part 6 an obligation and feedback procedure was implemented with the majority of suppliers. The KPI's indicate that the selected suppliers have understood and put into practice this obligation.

When required validation of suppliers can be achieved through meetings and audits.

3. The effectiveness is checked by SMETA-audits on the basis of the SEDEX data base and the ETI-Base-Code. B+K is a member of the SEDEX data base and can be confirmed by relevant certificates. The last SMETA-audit was conducted in January 2016 which acknowledged the compliance with the ETI-Base-Code.

### Training and Personnel Resources

1. B+K commits to regular compliance training programs with regards to human rights, ban of slavery, servitude and forced or compulsory labour. Specific training on the basis of the UK Modern Slavery Act commenced at the beginning of 2017.

2. The UK Modern Slavery Act is the responsibility of compliance management. The appropriate system documentation can be found in the compliance program chapter 5 "Ethics".

### Conclusion

Bischof + Klein is well aware of its social responsibility and the UK Modern Slavery Act. The company supports all measures to fully comply with all requirements. Based on a risk assessment there is only a low risk with a limited number of suppliers in certain countries. A due diligence process is carried out on these suppliers. There were no non-conformities registered at B+K nor in its supply chain in the financial year 2016, therefore no corrective measures were necessary.

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#### Anschrift

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