



MODERN SLAVERY ACT TRANSPARENCY STATEMENT FOR THE FINANCIAL YEAR ENDING 2020

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015. It provides an update on the steps undertaken by Graphic Packaging International Europe UK Limited, a subsidiary of Graphic Packaging International, LLC. and other relevant GPI group companies¹ (“GPI”, “Graphic Packaging”, the “Group”, the “Company”, “we”, “our”, “us”) during year ending 2020 to mitigate the risks of slavery, servitude, forced or compulsory labour and human trafficking (“Modern Slavery”) across our business and supply chain.

1. INTRODUCTION

At Graphic Packaging, we are committed to fair labor practices and upholding human rights as part of our company culture. This is our fifth Modern Slavery Act Transparency Statement issued in response to the UK Modern Slavery Act 2015. It outlines the steps we have undertaken as a business to prevent Modern Slavery from occurring within our operations and supply chain during the financial year 2020 and highlights our future objectives in this area. In the past year, we continued to build on previous efforts and increased our focus on preventing Modern Slavery in our operations and supply chain. We are pleased to report that for the FY 2020, no instances of Modern Slavery were identified within our operations, and we are committed to continue operating a business that is fair to all.

¹ This statement sets out the steps taken under section 54 of the Modern Slavery Act 2015 by the following Graphic Packaging International, LLC subsidiaries: Graphic Packaging International Bardon Limited, Graphic Packaging International Limited, Graphic Packaging International Gateshead Limited, Graphic Packaging International Europe UK Limited and Graphic Packaging International Foodservice Europe Ltd

2. OUR BUSINESS

Graphic Packaging International is one of the largest manufacturers of paperboard and paper-based packaging for some of the world's most recognized brands of food, beverage, foodservice, and other consumer products. The company operates on a global basis and its history extends more than 100 years, as numerous legacy companies have joined forces to create an ever-evolving corporation. We currently have over 80 facilities worldwide which are committed to providing consumer packaging that makes a world of difference. With a product portfolio that emphasizes renewable, recycled, and recyclable materials, we are as committed to our customers and almost 19,000 employees as we are to protecting the environment and giving back to the communities where we live and work. For the year ended 31 December 2020, our net sales amount to \$6.6 billion.



In Europe, Graphic Packaging has a rich and dynamic history. We are a leader in packaging design and innovation, serving hundreds of the world's most recognised brands through our 14 converting facilities. We offer a broad range of packaging for food, beverage and foodservice products and work closely with retailers in the food industry to bring food packaging design concepts to life. We are focused on maintaining efficient, safe and ethical working practices and are committed to acting with integrity in all our business dealings.



For more information about Graphic Packaging and our locations check our website at <https://www.graphicpkg.com/>.

3. OUR SUPPLY CHAIN

Our suppliers are vital to our success and we constantly strive to choose suppliers committed to strong ethics and business conduct standards similar to our own. These standards include a commitment from our suppliers to conduct business responsibly, with integrity, honesty and transparency and to prohibit the use of child labour and all forms of Modern Slavery.

In 2020, more than 250 diverse suppliers provided us globally with quality goods and services that:

- ✓ Spanned the entire spectrum of supply chain categories, from marketing to transportation to maintenance and packaging services
- ✓ Supported multiple sites across the company

Our eight North American paperboard mills produce coated unbleached kraft (CUK), coated recycled board (CRB), and solid bleached sulfate (SBS) paperboard. We then convert the paperboard into our packaging solutions. We also sell paperboard to a wide variety of independent paperboard packaging converters and brokers.

Our European converting plants consume CUK paperboard supplied from our own mills in North America and convert other paperboard grades purchased from external suppliers mainly in the UK and continental Europe. In addition to paperboard, GPI works with long-term suppliers also for sourcing of other main raw material key commodities such as printing inks, overprint varnishes, decorative materials and packaging materials. We believe that these strong supplier relationships are the key to ensuring continuous improvement in supply chain working conditions.

4. CORPORATE GOVERNANCE AND POLICIES

Corporate Governance and Compliance Committee

To effectively tackle Modern Slavery, engagement at all levels of the organization is required. We are fortunate that our Board of Directors and leadership team are highly engaged. In this respect the Board is responsible to ensure processes are in place for maintaining the integrity of our legal and ethical compliance matters, and in our relationships with customers, suppliers, employees, the community, and stockholders.

Graphic Packaging’s Compliance Committee facilitates the development, implementation, and operation of an effective compliance and ethics program, and promotes an organizational culture that encourages law abiding and ethical conduct. It is a cross-functional group that includes leaders from Legal, Human Resources, Internal Audit, IT, HS&E and is responsible for ensuring the company meets its human rights responsibilities. The Committee meets regularly to discuss and assess emerging compliance topics in our company, regularly informs the CEO of its activities and creates an annual report for the Board of Directors that details the Company’s compliance program. The responsibilities of the Compliance Committee include:

- **Risk Assessment** — Assesses the risks of non-compliance with applicable laws or regulations and of unethical conduct by employees and third parties (including the risk of Modern Slavery)
- **Policies and Procedures** — Develops appropriate compliance policies and procedures for the program
- **Training and Communication** — Increases employee awareness of compliance and ethics-related policies and procedures
- **Auditing and Monitoring** — Coordinates with Internal Audit to audit and monitor adherence to the Company compliance and ethics-related policies and procedures
- **Evaluation of Program Effectiveness** —Reviews the effectiveness of the compliance and ethics program and evaluates the sufficiency of reporting channels and of investigations of any ethics violations.

Code of Business Conduct and Ethics and Policies

Our **Code of Business Conduct and Ethics** (“the Code”, “Code of Conduct”) is the cornerstone of our compliance program and outlines Company’s five core values which are at the heart of everything we do:



The Code defines the principles, policies, and laws that guide our actions while working and applies to everyone at Graphic Packaging International and to our subsidiaries worldwide.

It affirms Company’s commitment to fair labour practices as well as intolerance to discrimination, harassment or retaliation. The Code also protects our personal integrity at

all times because it gives us a way to respond to unethical actions. All employees are encouraged to report any activity or behavior that is illegal, unethical, or does not comply with the Code of Conduct to their manager, Human Resources Representative, a Senior or Executive Vice President, Internal Audit, the General Counsel or to the ALERTline.

In 2020 we revised our Code of Conduct, increasing focus on topics commonly reported on the ALERTline and provided hypotheticals throughout the Code which reflect actual issues we have observed. In 2021 we will translate it into all Company's languages and implement it across the whole organization.

Our Code works in conjunction with other key policies addressing our commitment to fair labour practices:

- ✓ **Human Rights policy**
- ✓ **Anti-Slavery and Human Trafficking Policy**
- ✓ **Policy Statement on Conflict Minerals**
- ✓ **Global Supplier Code of Conduct**
- ✓ **California Transparency in Supply Chains Act Declaration**

These policies are available at our [Disclosures & Company Policies](#) section on our website and hold each of us at Graphic Packaging and our suppliers accountable to:

- Maintain work environment that protects the human dignity of all
- Ensure all business and working relationships are never exploitive or corrupt
- Provide means to deal with situations in conflict with our policies

As part of our systematic focus on upholding human rights in our company culture, in 2021 we will also review and update our Human Rights Policy.

5. DUE DILIGENCE AND INITIATIVES

Continuous consideration of human rights risks

Graphic Packaging International continues to incorporate human rights risks as an important part of its on-going supplier assessment when considering cost, availability and sustainability of its key raw materials and products purchases.

As described in our [Policy Statement on Conflict Minerals](#) published on our website, our goal is to use only those products and materials that do not finance or benefit armed groups in the Democratic Republic of Congo and nine adjoining countries. We undertook a

due diligence process in this respect in 2020 and expect our suppliers to cooperate in providing information to confirm that the conflict minerals in our supply chain are conflict-free. Moreover, we fully support the efforts of human rights organizations to end the violence and atrocities fueled by the sale of conflict minerals.

Prior to authorizing any significant investment agreement (SIA), we follow a strict due diligence process to understand the full extent of the assets and organization in which we are investing. To this end, GPI employs a cross functional approach which involves the Finance, Strategy, Accounting, HR, Risk Management, Tax, EHS, and Operations departments in the diligence process. The Legal department coordinates that process to ensure that all key stakeholders get the information they need to help evaluate the potential transaction and risks as well as lay the foundation for a successful integration.

With our Human Rights Policy in mind, our due diligence includes the following actions:

- an assessment of the target company's labor practices
- tours of the target facilities
- interviews with key management and operational personnel
- review of corporate documentation and financials
- human rights screening for 100 percent of our SIAs

SEDEX

As reported previously, Graphic Packaging International utilizes several feedback programs and platforms to inform us on our impacts and to help us collect and share information and map Modern Slavery risks. Thus, we are a member of Sedex which has continued to be an important platform for our relationships and collaboration with our customers in 2020.

One of the tools used by GPI to share information and enable increased understanding of its workforce and supply chain is Sedex's Self-Assessment Questionnaire (SAQ). This tool contains questions which align with the four pillars of SEDEX's audit methodology, SMETA: Labour, Health and Safety, Environment and Business Ethics. The SAQ provides feedback for current business practices and areas of improvement to help enhance performance. Since it aligns with SMETA it can be also used as a pre-audit tool to help GPI prepare for a SMETA audit.

In order to achieve an improved supply chain data collection and to support a more comprehensive and detailed risk assessment, in February 2020 SEDEX released an updated version of the Self-Assessment Questionnaire. In this respect, all of GPI's European sites achieved 100% completion of the updated SAQ by the end of 2020. Although the completion of the SAQ alone is not sufficient to prevent Modern Slavery, it enables our sites

to consider these issues in depth and to report on them. The SAQ also allows our customers and other stakeholders to look beyond our company's policies, into site-level implementation of labour, health and safety, environment and ethical business activities.

Furthermore, we conduct regular human resources audits of our facilities to ensure they are compliant with all local law requirements, as well as with Graphic Packaging policies. As reported previously, all of our folding cartons manufacturing facilities under Graphic Packaging ownership for a year or more have been audited by a third party under the Sedex Member Ethical Trade Audit (SMETA) within the past three years and we have continued with these efforts in 2020. These audits are a well-established procedure which can be effectively used as a preventive measure for identifying Modern Slavery and ethical business violations.

Any non-conformances identified during these site ethical audits, as well as observations and good examples, are reported to the sites and recorded on the SEDEX platform where they can be seen by our customers. It is of immense importance to Graphic Packaging International to address any non-conformances in a quick and effective manner. In order to ensure efficient execution of any third-party audits and integration of new standard requirements, we have established regional Corporate Social Responsibility leads and further enhancements to company policies are in process.

Sustainability and ESG reporting

As a vertically integrated business, we incorporate sustainability at each stage of our manufacturing process and ESG principles are integral to our Vision 2025 goals. In 2020, Graphic Packaging continued to work diligently toward meeting its social and sustainability goals and the Board of Directors has been closely involved in these efforts. As committed in our previous statement, in 2020 Graphic Packaging International published its 2019 Environmental, Social and Governance (ESG) Report. With this report, the company has provided additional disclosures using the Sustainability Accounting Standards Board (SASB) reporting framework and has committed to a broader set of environmental, social and governance initiatives. The report aligns with the Global Reporting Initiative (GRI) and represents another step forward in our commitment to transparency and accountability. Ethics and Compliance and Supply Chain Management are main sections in the Governance chapter of the 2019 ESG report and further confirm that responsible business practices and respect for human rights are integral to Graphic Packaging's culture. To enhance transparency to our stakeholders, going forward we plan to publish our ESG report annually.

6. ASSESSING AND MANAGING THE RISK

Identifying and assessing the risk

At Graphic Packaging, we believe that establishing a framework to meet our company's goals as well as our stakeholders' involves acting ethically and responsibly. We consider risks related to our economic, social, and environmental impacts on an ongoing basis as part of our strategic planning, risk management, and governance approach.

We identify risks, including human rights risks, through a variety of processes, methodologies, and tools. Some of our sources for risks identification include, but are not limited to:

- Professional and trade-related business associations and their publications and journals
- Engagement with our stakeholders (suppliers, employees, investors, customers, government agencies)
- Input from numerous sources, including:
 - ✓ Our Board of Directors, executive leadership, and other company leadership
 - ✓ Communications from government agencies and employees
 - ✓ Media and industry alerts
 - ✓ Engagement in insightful ESG-focused and other conferences
 - ✓ Informal discussions and scenario analyses
 - ✓ Our company ALERTline

After we identify material risks, we evaluate and prioritize them using a scaled and weighted approach. The defined risk criteria are:

- **Significance of impact** — the potential effect of an event
- **Occurrence likelihood** — the possibility a given event will take place
- **Speed of impact or velocity** — the time between the occurrence of an event and its impact

We have a robust internal control environment and seek feedback on the effectiveness of applicable control over material risks.

Managing the risk

Graphic Packaging utilizes a deliberate Risk Management System (RMS), which includes formal policies, procedures, and governance that defines and communicates our policy

regarding the management and oversight of risk. The RMS assures the effective identification, analysis, prioritization, and management of risks. Stakeholders including the Board, Audit Committee, Management, and staff have oversight and execution of the RMS, and Management is responsible for identifying, mitigating, and managing risks, including Modern Slavery risk across the organization.

Recognising the level of control we exercise over our operations, including our risk management and compliance systems, we believe that relevant risk exposures reside mainly in our supply chain, rather than in our operations.

In 2020 we continued our strong commitment to source wood and paperboard material from certified chain of custody and non-controversial sources. We purchase wood that is local to our mills in the US. The timber is legally harvested under local law from the southeastern U.S. including the states of Georgia, Texas and Louisiana, which is classified as a low-risk region. Furthermore, Graphic Packaging conducts an assessment of compliance with applicable federal and state law annually as part of our forestry certification program third-party audit.

Stakeholder engagement is also integral for GPI in addressing Modern Slavery risks. As critical stakeholders for Graphic Packaging, our suppliers are key partners in the management of human rights risks in our supply chain and in operating ethically and legally. Therefore, our suppliers are required to comply with the principles of our Global Supplier Code of Conduct which include clear prohibitions of all forms of forced or compulsory labour and of the use of child labour.

Our employees are an essential stakeholder group which has an important role in identifying the early signs of Modern Slavery abuses. They help us understand better how our operations and products impact the communities in which we operate. Graphic Packaging is committed to tackling the challenges our employees face and this approach can be also beneficial for proactively preventing and resolving human rights violations, in turn mitigating the risks of Modern Slavery.

Thus, in 2020 we piloted a new approach to engaging employees and conducted a comprehensive Employee Engagement Survey aiming to measure and respond to employee input to better engage the workforce, enhance our culture and improve business results. The Employee Engagement Survey also contained a comments box where employees had the opportunity to express any observations, concerns or proposals they have in a confidential manner, thus encouraging further transparency and open communication within the Group.

7. ASSESSMENT OF EFFECTIVENESS IN PREVENTING MODERN SLAVERY

GPI regularly reviews the effectiveness of our Modern Slavery risk management program. In our 2019 statement we committed to focus on several initiatives and activities to ensure that there is no Modern Slavery in our supply chains or in any part of our business and below are the concrete actions we have undertaken in 2020 in this respect:

✓ *Updating our Code of Conduct*

In 2020 we updated our Code of Conduct, increasing focus on topics commonly reported on the ALERTline and provided hypotheticals throughout the Code which reflect actual issues we have observed. In 2021 we will translate it into all Company's languages and implement it across the whole organization.

✓ *Publishing Graphic Packaging's 2019 Environmental, Social and Governance (ESG) Report*

In 2020 Graphic Packaging International published its 2019 Environmental, Social and Governance (ESG) Report. With this report, the Company has provided additional disclosures and has committed to a broader set of environmental, social and governance initiatives.

✓ *Launching an enterprise-wide Engagement survey among Graphic Packaging's employees*

As committed in our 2019 statement, in 2020 we conducted an enterprise-wide Employee Engagement Survey to measure and respond to employee input to better engage the workforce, enhance our culture and encourage further transparency and open communication within the Group.

✓ *Delivering a refresher training on our Code of Conduct*

As committed in our 2019 statement, in 2020 we delivered a training on our Code of Conduct to Graphic Packaging's global salaried employees. Due to the COVID-19 pandemic the training was delivered only through online courses.

8. TRAINING AND AWARENESS

We recognize that the management of human rights risks, including Modern Slavery, requires the continuous capability building and raising awareness of teams across Graphic Packaging International. In order to provide more targeted training to our employees with

demonstrated impact, in 2020 we updated our compliance training platform. We expanded the use of our new Learning Management System (LMS) as a central hub for all employee online training. Most training modules are between 15-30 minutes in duration and focus on critical compliance areas and ethics-related policies and procedures through vignettes and examples that are relevant for our industry and employees.

In 2020 94% of Graphic Packaging's global salaried employees completed a training on our Code of Conduct where they were reminded of our Core Values, Human Rights policy, and our policies prohibiting discrimination and harassment. Due to the COVID-19 pandemic this year the training was delivered only through online courses.

In order to continue educating our employees to be able to identify the early signs of human rights abuses and Modern Slavery in our business and supply chain, in 2021 we plan to deliver a comprehensive and targeted Modern Slavery refresher training programme.

9. HEALTH & SAFETY THROUGH COVID -19

Remaining resilient as an essential business

The year 2020 was shaped by an uncertain political, societal and economic landscape due to the COVID-19 pandemic. Throughout the year, Graphic Packaging remained resilient. At the start of the pandemic, we were classified as an essential business and as such we demonstrated our agility by adapting in real time to the pandemic-related needs of our employees, customers, and the communities where we operate. With a strong work ethic, perseverance, and dedication, the Graphic Packaging team delivered and maintained continuity of supply so that our customers can provide essential products to families and individuals.

Keeping our employees safe

Keeping our employees safe and healthy were our top priorities as we quickly mobilized our global workforce to ensure the vital food and beverage supply chain remained uninterrupted. Because our frontline workers were at increased risk to contract COVID-19 due to the nature of their work, we engaged in several measures and activities:

- We immediately implemented increased health and safety protocols at our corporate and manufacturing sites.

- By collaborating with industry associations and local and government agencies, we continually adapted our protocols as new coronavirus information became available.
- Facing a shortage of protective face coverings necessary to do frontline work, GPI employees in the UK designed a paperboard-based face shield with window film to keep workers safe.
- Our salaried employees immediately began operating remotely by leveraging technology to effectively run our business.

Our HR teams on site have been focused on ensuring our frontline workers are comfortable coming to work, communicating rules and ensuring compliance. As a team, we were highly successful in minimizing the impact of COVID-19 and experienced minimal operational disruptions while keeping the health and safety of our employees a priority.

10. LOOKING AHEAD

To effectively tackle Modern Slavery and achieve sustainable change across our supply chain and business operations, Graphic Packaging must be proactive in addressing the root causes of Modern Slavery. In 2021 we will be focusing on the following initiatives and activities to ensure that there is no Modern Slavery in our supply chains or in any part of our business:

- Reviewing our Human Rights Policy
- Translating and implementing our revised Code of Conduct across the whole organization
- Publishing Graphic Packaging's 2020 Environmental, Social and Governance (ESG) Report
- Completing a materiality assessment to further engage with our stakeholders
- Increasing our focus on reducing third party risk by benchmarking GPI practices to assess any gaps in management of third parties and advising on best practices
- Updating and delivering a comprehensive and targeted online Modern Slavery refresher training programme

This statement was approved by the Boards of Graphic Packaging International Bardon Limited, Graphic Packaging International Limited, Graphic Packaging International Gateshead Limited, Graphic Packaging International Europe UK Limited and Graphic Packaging International Foodservice Europe Ltd.

Signed

A handwritten signature in black ink, appearing to read "Lauren Tashma". The signature is written in a cursive style and is positioned above a horizontal dotted line.

Lauren Tashma

Executive Vice President, General Counsel and Secretary