

**MODERN SLAVERY ACT TRANSPARENCY STATEMENT
FOR THE FINANCIAL YEAR ENDING 2018**

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”, the “Group”, the “Company”, “we” or “our”) during year ending 2018 to mitigate the risks of slavery, servitude, forced or compulsory labour and human trafficking (“Modern Slavery”) across our business and supply chain.

INTRODUCTION

This is our third Modern Slavery Act Transparency Statement, and in the past year we have continued to increase our focus on and commitment to fair labour practices and to act ethically in all our business dealings. We have also deepened our understanding of the risk, continued to build effective responses to that risk and to raise awareness among our employees and supply chain. Modern Slavery is a growing global issue with deep rooted and hidden manifestations and our customers and suppliers share our concern. In this statement GPI will report on several matters related to policies, due diligence processes, risk assessment and management, training, raising awareness and steps undertaken to combat Modern Slavery.

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 and Graphic Packaging International Europe UK Limited

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, household, personal care and pet care products. We have over 70 facilities worldwide that provide innovative packaging solutions to help our customers stand out and achieve brand loyalty in a competitive and dynamic marketplace. With a product portfolio that emphasizes renewable, recycled, and recyclable materials, we are as committed to our customers and more than 17,000 employees as we are to protecting the environment and giving back to the communities where we live and work.



In Europe Graphic Packaging has a rich and dynamic history. We are a leader in packaging design and innovation, serving many of the world's most recognized brands through our 14 converting facilities. We offer a broad range of packaging of food, beverage and foodservice products and work closely with retailers in the food industry to bring food packaging design concepts to life. Our team is focused on maintaining efficient, safe and ethical working practices in a changing environment with constantly evolving products.



More information about Graphic Packaging and our locations can be found on our website at <https://www.graphicpkg.com/>.

OUR SUPPLY CHAIN

GPI works with long-term suppliers for our main raw material sourcing of key commodities which include carton board, 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 and avoiding supplier turnover where possible. GPI also works with long-term customers, many of whom have well-known brands in the markets we serve.

Graphic Packaging International's European Supply Chain is responsible for the ethical sourcing of the materials we require to manufacture our products in Europe. We source the majority of our carton board from suppliers in the UK, Europe and from our own mills in North America and ensure that supplies meet all applicable legislation. Our inks and coatings are sourced from European suppliers and, again, we ensure that all supplies meet all applicable legislation. We believe that our suppliers are vital to our success and, accordingly, we endeavor to choose suppliers who are committed to strong ethics and business conduct standards. Our procurement principles are to source for the best value and we expect our suppliers to meet these needs legally and ethically, and to provide equal opportunity.

POLICIES AND CONTRACTUAL CONTROLS

As reported in our previous statements, we have several policies in place which are relevant to Modern Slavery and underline our commitment to act ethically and with integrity in all of our business dealings and relationships. They aim to protect our employees' welfare and basic human rights within our supply chains. These policies include our Code of Business Conduct and Ethics, Human Rights policy, Anti-Slavery and Human Trafficking Policy, Policy Statement on Conflict Minerals, Equal Employment Opportunity Policy, Anti-Harassment Policy and our California Transparency in Supply Chains Act Declaration. The implementation of all company policies is also supported by an embedded governance structure.

Following its implementation in 2017, in 2018 we have started to include our Anti-Slavery and Human Trafficking Policy to new agreements with suppliers and to tender documentation prepared by GPI in order to ensure that the standards required by GPI are applied to our suppliers and their own supply chains.

In 2018 we have also updated our template contracts with our supplier partners and service providers by including obligations on compliance with the Modern Slavery Act 2015, risk assessment, controls, and notification of Modern Slavery findings. We have also been adding Modern Slavery Act clauses into templates provided by such suppliers if such

clauses were not already integrated. We will continue to evolve this work and plan to report this in the upcoming year.

In our Code of Business Conduct and Ethics employees are encouraged to speak up about ethical concerns with a manager, Human Resources Representative, the Law Department, or online through our independent **ALERTline**. Dialing instructions for reporting by phone are also provided for all employees worldwide. In 2018 we have continued to promote a non-retaliation approach towards anyone who reports in good faith their genuine concerns that Modern Slavery may be taking place in any part of our business or supply chains. We have also continued to monitor the number and nature of the concerns reported following our whistleblowing procedures. This process helps to create an environment where issues, including labour rights violations can be raised and rigorous follow up ensures that concerns are addressed. In 2018 we did not have any reports or investigations that were indicative of Modern Slavery.

DUE DILIGENCE

Supplier Questionnaires

GPI seeks to develop long term relationships and to work with suppliers that share our commitment to high ethical standards and operate in a responsible way. We believe that a continuing focus on transparency throughout the supply chain can help identify Modern Slavery risks.

As reported in our previous statements suppliers are subject to due diligence checks which include a **Supplier Questionnaire** ("SQ") they are required to fill in and return to GPI as part of GPI's supplier approval process. GPI is driving greater disclosure from our suppliers to better understand our supply chain and manage risks related to Modern Slavery. In this respect in 2018 we took further steps to develop our due diligence by expanding the scope of our Supplier Questionnaire in order to include additional and more detailed questions on ethical trading and Modern Slavery. This has enabled us to assess even more thoroughly our existing and new suppliers and to gather further information of any signs of forced labour or human trafficking. When the answers provided by suppliers in the SQ were incomplete, additional information was requested from them to further evaluate their status. In the event suppliers receive a low score on the criteria in the SQ and a "high risk" rating an on-site audit might be undertaken or an approval status is not obtained by such suppliers. If significant issues are identified with suppliers and remain unresolved, we may also choose to suspend or terminate work with them.

In order to further strengthen our due diligence process in 2019 we will develop a separate tailor made Supplier Questionnaire for the personnel/recruitment agencies we are working

with which will include targeted and additional questions on ethical trading and fair labour practices.

SEDEX

In 2015, we embarked on a journey to integrate our commitments to safety, the environment, human rights and diversity through a comprehensive compliance program. With the selection of Sedex, an on-line collaborative platform that allows us to share our program and compliance results, we set an ambitious plan to have every converting plant under our ownership for more than a year complete a 4 – pillar Sedex Members Ethical Trade Audit (SMETA) audit by the end of 2018. We have achieved this goal. In addition, we will continue to conduct enhanced SMETA audits for customers that require additional audit indicators.

As part of Graphic Packaging's wider Corporate Social Responsibility (CSR) in 2018 we have continued to use our position as a major paperboard and paper-based packaging manufacturer to promote SEDEX accreditation and conformance to the SMETA pillars with our key suppliers. We have also established regional CSR leads to ensure execution of third party audits and integration of new standard requirements.

Sustainability

Since establishing a formal sustainability program in 2008, Graphic Packaging has made significant progress. In 2018 Graphic Packaging's first Global Reporting Initiative (GRI)-referenced **Sustainability and Social Responsibility report** was issued, which highlights the robust initiatives Graphic Packaging has implemented and is continually pursuing to preserve the environment, invest in the communities where it operates and to operate responsibly. We plan to issue a full report biennially.

In addition to SEDEX we also utilize other feedback programs to inform us on our impacts. For example we have voluntarily engaged with the leading provider of business sustainability ratings **EcoVadis** to benchmark our programs with peers and drive improvements. We partner with them to collaborate on sustainability with a common platform, universal scorecard and performance improvement tools. EcoVadis' assessment model measures seven management indicators across 21 sustainability criteria in four themes- Environment, Labour and Human Rights, Ethics and Sustainable Procurement. The Labour and Human Rights' theme specifically includes Child Labour, Forced Labour and Human Trafficking.

ASSESSING AND MANAGING THE RISK

Assessing the risk

Despite the fact that our vertically integrated business model makes us less reliant on raw materials made by third parties such as paperboard, the manifestations of Modern Slavery are complex and hidden, and we remain committed to conducting appropriate risk assessments.

We have assessed the ongoing Modern Slavery risks in our supply chains based on the commodities and services we source, supplier size and performance, on the perceived risk from the geographic locations from which we source commodities, country information metrics, suppliers' own supply chains, reported incidents alongside with other relevant criteria.

Wood and recovered wood-fiber are the two primary ingredients for paperboard packaging by Graphic Packaging's mills in North America. We assess the short, medium and long-term access to these raw material sources. In addition, Graphic Packaging complements its management strategy with compliance to the major forest/wood-fiber certification programs. We leverage these programs to ensure responsible wood/wood-fiber purchasing and management practices.

Managing the risk

Our approach to managing the risk of Modern Slavery forms part of our broader efforts to respect human rights. Whilst we acknowledge that Modern Slavery can be found in all countries, areas of operation and industries, our initial analysis has identified that the areas at main risk of Modern Slavery within GPI's operations are where contract, agency and temporary labour is used. The moderate seasonality of parts of our business makes the use of agency and temporary labour necessary, so it is key to have in place effective strategies and appropriate means for mitigation and remediation in case potential victims of Modern Slavery are identified. In this respect, in 2018 we have further analyzed and worked on our relationship with the recruitment agencies for temporary labour we use.

In our 2017 statement we reported the formation of a working group with expertise from the legal, human resources, supply chain, continuous improvement functions in our European Group, focused on developing, directing and overseeing our approach to assessing and addressing Modern Slavery risks within our organisation. This group had several meetings in 2018 and continued to address Modern Slavery risks across our operations and supply chain. It also played a central role in the preparation of this statement.

ASSESSMENT OF EFFECTIVENESS IN PREVENTING MODERN SLAVERY

Modern Slavery has a complex and multi-faceted nature, which is often difficult to uncover and address effectively. The risk of Modern Slavery is also evolving and we will continue our proactive approach to mitigating it in 2019.

In our 2017 statement we committed to continue to reflect on, develop and extend our approach to Modern Slavery by focusing on several initiatives and below are the concrete actions we have undertaken in 2018 in this respect:

Continue building awareness on Modern Slavery

We have continued to increase our employees' awareness of potential Modern Slavery risks in GPI's operations and supply chains by various initiatives, including training on Company's Code of Business Conduct and Ethics, sharing information notices in GPI's facilities, incorporating our Anti-Slavery and Human Trafficking Policy in our induction programs for new employees. In addition to that we have continued to promote SEDEX accreditation and conformance to the SMETA pillars with our key suppliers and to raise their awareness of potential Modern Slavery risks in their operations and supply chains.

Develop and deliver targeted Modern Slavery/Human Trafficking training

In collaboration with an external partner we have developed a targeted Modern Slavery/Human Trafficking on-line training which was completed by employees from teams working with our business and supply chains. Employees completing the training work in departments including Supply Chain, Quality, Sales, Finance, Legal, Human Resources.

Expand the scope of our Supplier Questionnaire

We have undertaken further steps to develop our due diligence to our suppliers by expanding the scope of our Supplier Questionnaire and including additional and more detailed questions on ethical trading and Modern Slavery.

Develop and integrate clauses on Modern Slavery

We have updated our template contracts with supplier partners and service providers to include clauses on compliance with the Modern Slavery Act 2015, risk assessment, controls, and notification of Modern Slavery findings.

Monitor concerns reported through our whistleblowing procedures

We have continued to monitor the number and nature of the concerns reported following our whistleblowing procedures. In 2018 we did not have any reports or investigations that were indicative of Modern Slavery.

TRAINING AND AWARENESS

Training and awareness building is key to our ongoing strategy to tackle Modern Slavery. In 2018 we delivered to all employees of the Group training on Company's Code of Business Conduct and Ethics to provide further information on our commitment to human rights and labour rights and to ensure a general understanding of GPI's responsibilities in this area. This training was delivered through e-learning courses, face-to-face meetings and induction programs for new employees. In order to increase our employees' awareness of potential Modern Slavery risks in GPI's operations and supply chains and of the ways of reporting any concerns, we continued to publish or screen information notices in the shared spaces in GPI's facilities.

In 2018 we have also collaborated with an external partner to develop an informative and accessible Modern Slavery/Human Trafficking on-line training program which was delivered to relevant employee groups at all levels. Participants included colleagues from Supply Chain, Quality, Sales, Finance, Legal, Human Resources. The targeted training is intended to ensure that they are familiar with the risk areas, likely indications of human rights abuses (including instances of Modern Slavery) and possible actions to take if an incident of Modern Slavery is identified.

This training has helped to embed GPI's policy of zero tolerance for Modern Slavery and respect for human rights throughout the business. We will continue to support and develop this approach in 2019 and have planned to conduct refresher trainings.

LOOKING AHEAD

In 2019 we will be focusing on a number of initiatives and activities to ensure that there is no Modern Slavery in our supply chains or in any part of our business by:

- Extending the scope of GPI's ALERTline to include a separate section for reporting Human Trafficking/Anti-Slavery concerns in all relevant for our organization languages
- Developing a Global Supplier Code of Conduct
- Publishing Sustainability and Social Responsibility Update

- Strengthening our due diligence process by developing a separate tailor made Supplier Questionnaire for personnel/recruitment agencies
- Delivering refresher training on Modern Slavery/Human Trafficking to key frontline personnel

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

Signed

A handwritten signature in blue ink, appearing to be 'LT', is written over a dotted line.

Lauren Tashma

Executive Vice President, General Counsel and Secretary