UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

OLIR APPROACH

We support the United Nations Global Compact's 10 principles on human rights, labour, environmental protection and anti-corruption.

GLOBAL COMPACT PRINCIPLE

The table below sets out our approach to upholding each of the principles, highlighting specific progress and outcomes in 2017 where applicable. This summary, taken together with our Corporate Responsibility Performance Update 2017, is our annual Communication on Progress for 2017. Both are published on our website at www.waybeyondgood.com.



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GLOBAL COMPACT PRINCIPLE	OUR APPROACH	FIND OUT MORE
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	We are committed to respecting human rights in our business and our supply chain through our Code of Conduct and our Business Ethics Code for suppliers.	Code of Conduct Business Ethics Code
	Regular Supplier Ethical Data Exchange (SEDEX) Members Ethical Trade Audits (SMETA) of our business help to ensure that we uphold high standards on human rights. All our production sites were audited in 2016 and the next audits of these sites are due in 2019. In 2017, we also conducted an assessment at our New Zealand paper mill in preparation for a full SMETA audit of the site in 2018.	<u>Dasiness Ernies Code</u>
Principle 2: Businesses should make sure that they are not complicit in human rights abuses		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	We respect the right to freedom of association and collective bargaining, and our Business Ethics Code requires suppliers to uphold these rights too. A significant proportion of our employees are covered by collective labour agreements and, in Europe, many are represented by works councils.	Business Ethics Code
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	We do not tolerate forced, compulsory or child labour and we require the same commitment from suppliers through our Business Ethics Code.	Business Ethics Code
Principle 5: Businesses should uphold the effective abolition of child labour		
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation	We do not tolerate discrimination of employees or supplier workers based on race, religion, national origin, sex, sexual orientation, disability, age or any other relevant category.	Code of Conduct Business Ethics Code

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Principle 7: Businesses should support a precautionary approach to environmental challenges	We comply with applicable environmental legislation across our operations and we require our suppliers to do the same. We take a precautionary approach to environmental challenges such as climate change by proactively identifying and managing emerging risks. This applies across our value chain.	Code of Conduct
		Business Ethics Code
	Specific policies also address environmental risks associated with sourcing of our three key raw materials. In 2017, we introduced new purchasing policies defining responsibility requirements for polymers and aluminium, complementing our existing policy on liquid paper board.	<u>Liquid Paper Board</u> <u>Purchasing Policy</u>
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	Environmental responsibility is an integral part of our business strategy. We aim to minimise our environmental impacts and we are striving for a net positive footprint by contributing more to the environment than we take out across our value chain.	Code of Conduct
		Business Ethics Code
	Examples of initiatives to reduce our environmental footprint in 2017 include switching to 100% renewable electricity at our production sites worldwide, targeting the gold sustainable building standard from LEED for our new technical centre in China, introducing more than 1,000 energy monitors at our Linnich site and saving energy by reusing heat generated in production for heating the site at Suzhou.	CR Performance Update 2017, pages 4, 7 and 14
	We also demand high standards of environmental responsibility from our suppliers. Our Business Ethics Code requires suppliers to run their business in a way that protects and preserves the environment. We also encourage suppliers to adopt their own net positive commitment. In 2017, we welcomed the Stora Enso Consumer Board Division, one of the main suppliers of liquid packaging board for our packs, as a fellow member of the Net Positive Project.	
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	Our Global Environment, Health and Safety Policy sets out our commitment to provide a packaging system solution supporting our customers with an exceptional environmental performance. Our goal is to offer the most sustainable food packaging solutions on the market. We are innovating the way we design and manufacture our packs and filling machines to achieve this.	CR Performance Update 2017, page 19
		Global Environment, Health and Safety Policy
	In 2017, we launched our SIG NATURE PACK, the world's first aseptic carton 100% linked to forest-based renewable material, and sales of our 82% renewable aluminium-free EcoPlus packs remained strong. We also introduced our combibloc RS structure that reduces the carbon footprint of our standard packs and developed technical upgrades to improve the environmental performance of our filling machines.	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	We have zero tolerance for bribery or corruption in any form. Our anti-corruption policy is included in our Code of Conduct and reinforced through training.	Code of Conduct CR Performance Update 2017, page 11
	In 2017, more than 200 people completed in-depth compliance training designed to address the kind of real-life ethical dilemmas that employees in high-risk roles could face. We also developed detailed policies on gifts and entertainment in 2017 to provide specific guidance for employees in each region.	
	We encourage people to report any concerns about bribery, corruption or any other ethical issues via our ethics and compliance hotline. We investigate any suspected breaches and take disciplinary and other appropriate actions accordingly.	