

Group Directive - OHS

1 Introduction and purpose

Billerud puts Safety first. The reason is simple: No one who works at Billerud should be injured or exposed to ill health because of work. Our vision and goal is an injury-free, safe, secure, and creative workplace where all employees feel valued, challenged and engaged at work, which also contributes to stable production and increased product quality. Competent and committed leaders and employees are key factors that contribute to continuous improvement and a strong safety culture.

The purpose of the Occupational Health and Safety Directive is to establish undertakings for the Group to prevent work-related injuries and illnesses and to describe principles and obligations for a safe and healthy working environment.

Billerud's vision is to challenge conventional packaging for a sustainable future. The company has a position as a leading, innovative, and sustainable player in the global paper and packaging industry with operations and presence around the world. This Group Directive supplements the Group Health and Safety Policy and presents mandatory principles and describes how the policy is applied. The Directive is supplemented by underlying processes which set out more detailed routines concerning Occupational Health and Safety.

2 Scope and applicability

This Group Directive applies to Billerud and its controlled subsidiaries ("Billerud" or "the Group") and covers Billerud's global business activities and operations. The Directive applies to all persons working at or for Billerud, including board members, employees, trainees, and consultants.

3 Management of Occupational Health and Safety, OHS

3.1 Management system

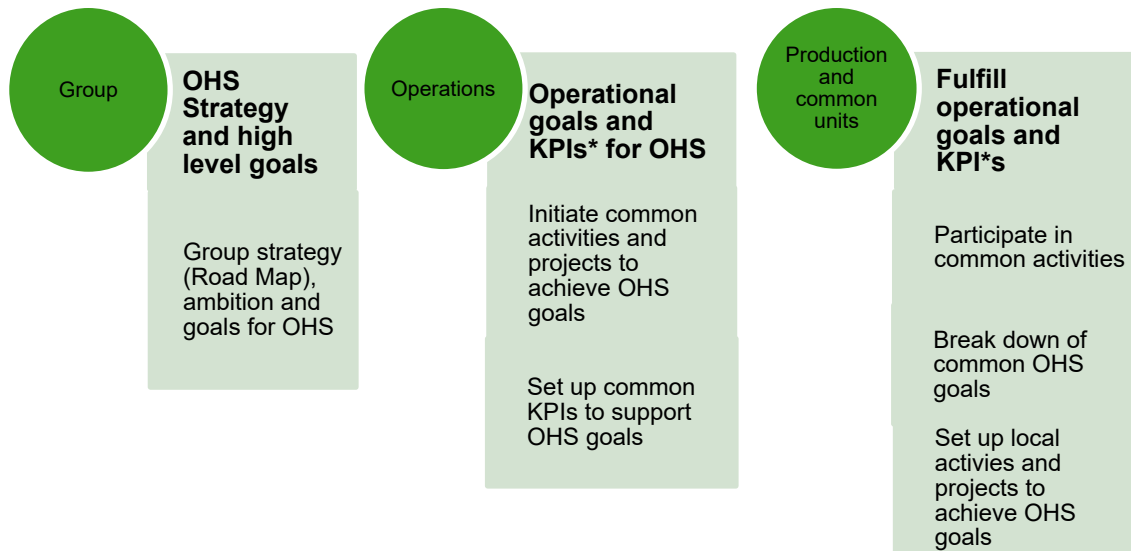
Billerud shall strive for continuous improvements and work with OHS in a systematic way, to provide a safe and healthy workplace. The production units and common units shall have an OHS management system that is compliant with the requirements in the international standard ISO 45001.

The OHS management system shall ensure that all operations are consistent with the OHS policy and overall strategy and targets, and that there are solid processes and procedures, both on group and local level, to achieve this.



3.2 Strategy and goal setting

The process for setting OHS goals can be illustrated as in the picture below and is aligned to the directive for the group's common goal process.



**Key Performance Indicator*

3.3 Risk management

Risks for Health and Safety in the production sites and other functions shall be identified, assessed, managed, and communicated within each operating unit. OHS risk management includes physical, organizational, and social factors in the work environment. Billerud shall work to eliminate or, when not possible, reduce OHS hazards and risks and work proactively with prevention of work-related injury and ill health. Risk assessments shall be reviewed according to relevant requirements and form the basis for prioritization and implementation of preventative actions.

Responsibilities for risk management is clarified with the procedures for assignment of tasks within the OHS work. Management teams in production units and functions are responsible to ensure risk management is functioning well and to monitor and act on the performance.

3.4 Safety Promotion

Billerud strives to build a strong safety culture, where we choose the safe route over the unsafe one, through leadership from the top down. Within Billerud we are convinced that injuries can be prevented. All leaders must support safety by example and engage all employees in safety and encourage them to take personal responsibility for one another's safety.

A program for safety culture activities and improvements shall be developed, executed, and monitored by all units and functions within the company, as well as on a group level. The safety culture programs shall be based on:

- management commitment and leadership,
- clear safety procedures that are followed by everyone,
- creating awareness about safety hazards, with a "No Blame" culture,



- recognizing and rewarding positive examples and behaviors,
- prevent injury and illness by utilizing safety and health data to identify and eliminate potential hazards and at-risk behaviors.

3.5 Competence, training, and awareness

OHS management shall be based on knowledge where key positions with right qualifications must be found at group functions as well as in each production unit. Procedures for training, competence, and support to managers and specialist shall be based on assignment of tasks within the OHS work and be in place on all relevant levels. Training in risk assessment and prioritization of preventive actions along with root cause analysis methods for investigations of incidents, are examples of important areas that shall be covered for managers and other relevant positions.

All employees shall have the appropriate training, skills, and experience, to be able to perform their work in a safe and healthy manner. Specific training shall also be carried out for employees involved in tasks that require training and skills according to legal requirements, or that are identified as high-risk activities. In addition, training in how to act in emergency situations shall be carried out, based on plan per production unit and function.

Contractors and visitors shall participate in an induction safety training program (presentation, video, guidebook or similar) to get information about hazards and safety procedures relevant for the site.

3.6 Employee consultation

Billerud shall establish, implement, and maintain processes for consultation and participation of employees at all levels and functions to create a good work environment. Employee consultation shall be done via safety representatives or other employee representatives, according to national legislation. Consultation and participation of employees is part of the OHS management system and the requirements in ISO 45001 regarding this shall be met at all production units and functions as well as on group level to cover all activities and decisions regarding OHS.

3.7 Management of incidents

Structured processes shall be in place to report, act, investigate and follow up on incidents, nonconformities, and improvement possibilities. These processes shall include requirements on timing and roles and responsibilities for the transparent reporting of safety incidents to persons that were involved in the incident, senior management, and employee representatives where applicable.

All health and safety incidents must be reported, and the extent of necessary investigation shall be evaluated based on set criteria. When investigation of root causes is necessary this shall be carried out using a recognized method to identify the root cause of the incident. Corrective actions addressing the root cause shall be defined based on the investigation and a system must be in place to follow-up their implementation. Risk observations, nonconformities and suggestions for improvement shall be managed in the same way with investigation and prioritization of preventive actions when necessary. Investigations and actions must be documented in an investigation report.

Management of incidents is a line management responsibility and is clarified with the procedures for assignment of tasks within the OHS work. Management teams in production units and functions are responsible to review the quality of investigations actively and regularly and to follow up that planned actions have been performed.



Injuries, near-misses, and risk observations must be transparently communicated to all employees for whom learning and actions from the investigation would add value to safety. Corrective and preventive actions shall be implemented in other areas of the organization where a similar incident could happen.

3.8 Legal compliance

Billerud shall comply with all applicable Occupational Health and Safety laws and regulations in the countries where we operate. The production units, common units and other functions within the company are responsible for controlling and following local legal requirements concerning Occupational Health and Safety. The units shall monitor compliance with these legal requirements. Deviations shall be communicated to relevant authorities.

3.9 Accountability, roles, and responsibilities

This Group Directive has been approved by the Policy Owner or assigned.

The Directive Owner is responsible for the implementation of this Group Directive, including:

- (i) to develop more detailed rules (if needed) for the subject matter, consistent with the purpose and intent of this Group Directive,
- (ii) to ensure that the Group Directive and underlying supporting documents are communicated and known to Representatives,
- (iii) to monitor and follow-up compliance with the Group Directive and underlying steering documents; and
- (iv) to take other actions, including corrective and reporting measures necessary to achieve the purpose and intent of this Group Directive.

Each production unit, common unit and corporate function is responsible for ensuring integration of the principles in this directive into their daily operations by establishing appropriate processes, procedures, and activities for managing OHS considerations, legal compliance, and fulfillment of corporate OHS goals.

Each production unit have a specific responsibility for ensuring compliance with OHS laws and regulations. The responsibility to maintain and upgrade the OHS management system is directed at each production unit.

4 Monitoring and compliance

Billerud shall perform adequate reviews, controls, and audits to monitor compliance with this directive. **The Directive Owner shall**, at least once a year, monitor and assess the implementation of the directive through self-assessments or equivalent procedure.

Our management processes in Production, common units, and other functions shall continuously be evaluated with respect to OHS with reviews or internal audits. These reviews shall evaluate the OHS management system to ensure its continuing suitability, adequacy, and effectiveness as well as assessing opportunities for improvement and the need for change. Records of reviews shall be maintained.



4.1 Non-compliance and reporting

Billerud's Representatives are expected to report violations (including suspected violations) of this Group Directive to the immediate manager or Directive Owner. Anonymous reporting of wrongdoings (whistleblowing) can be made through Billerud's Confidential Reporting System (Speak-Up Line). If you would have questions or feedback on this Group Directive, please contact the Directive Owner or Legal & Compliance.

