

Group Directive – Food Safety and Product Safety

1. Introduction and purpose

Billerud's purpose is: We make high performance packaging materials for a low carbon society. The company is positioned as a leader in high performance and sustainable materials made from fresh fiber in the global paper and packaging materials industry, with a presence and operations around the world.

This Group Directive ("Directive") is related to and aligned with, the Group Operations, Quality and Procurement Policy. The Directive presents mandatory principles and describes how the supervisory Group Operations, Quality and Procurement Policy is applied in detail.

This Directive is supplemented by underlying processes which sets out more detailed routines and principles concerning food safety and product safety.

The purpose of Billerud's Food Safety and Product Safety Directive is to establish procedures to ensure that our products are safe for intended use and to establish procedures that prevent or minimize risks for physical, chemical and microbiological contamination. Several of the paper and board products in Billerud's product portfolio are used for food packaging or medical applications.

2. Scope and applicability

This Group Directive (the "Directive") applies to Billerud AB and its controlled subsidiaries ("Billerud" or "the Group") and covers Billerud's global business activities and operations.

The Directive Owner is responsible for the communication and implementation of this Directive. All Billerud Representatives are however individually responsible for reading, understanding and following this Directive.

This Directive applies to all products, but requirements can differ between market segments and production sites.

3. Billerud Food Safety and Product Safety

Food Safety and Product safety within Billerud includes relevant aspects to ensure delivery of safe products to consumers. The principles include all pulp, paper and board products, but requirements can differ between market segments and production sites.

3.1. Strategy and goal settings

The process for setting quality goals is in line with Billerud's strategy framework and the method for OGSM (Objectives Goals Strategies Measures).

3.2. Principles

The principles below must be followed in order to deliver safe products:



1. We comply with applicable food safety and product safety legislation as well as with customer and internal requirements and continuously follow changes in legislative and other demands.
2. We mitigate risks regarding substances of concern with respect to health and/or the environment through careful selections of raw materials and processes.
3. We have procedures in place for risk assessment.
4. We strive to continuously improve.
5. We encourage a food safety and quality culture through internal and external communication as well as by continuous training of our personnel.

3.3. Responsibilities

The organization shall determine and provide the resources needed for the establishment, implementation, maintenance, update and continual improvement of the Food Safety Management System.

Personnel carrying out activities having impact on food safety and product safety shall have appropriate education, training, skills and experience, and are responsible to communicate relevant information and knowledge in the value chain to the customer. Structured processes shall be in place to report and follow up deviations and improvement possibilities.

Each production site (mill) is responsible for food safety and product safety fulfilment and for establishing and maintaining relevant procedures for risk assessment of their processes, products and activities.

Units outside of Operations Billerud shall secure product safety, and food safety where applicable, for the value chain from sourcing, converting, storage and transport to customers, including also outsourced processes.

The business areas are responsible for marketing products only for intended uses according to their approvals and certificates.

3.4. Compliance obligations

Billerud has established guidelines for food safety, 'Food Safety within Billerud' respectively product safety, 'Product Safety within Billerud, centred on food contact and/or medical packaging applications, which our products shall fulfil, with very few exceptions for products used in certain non-food contact applications.

3.5. Risk assessment

Risk assessments shall be accomplished according to relevant requirements and form the basis for prioritization and implementation of preventative actions in the continuous improvement work.

3.6. Food safety management system

All Billerud's production sites are certified according to the food safety management system FSSC 22000 where applicable.

The food safety certification covers, but is not limited to, raw material sourcing, production, handling, storage and distribution of our products and include hygiene rules, cleaning, maintenance, pest control and internal audits. A hygienic design of equipment and buildings as well as a good hygienic



and clean environment in the production facilities are other requirements in the certification. In addition to our own operations, control of our suppliers and sub-contractors is also included.

4. Reviews, controls & audits

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.

Each production site shall plan and implement the processes needed to validate control measures, and to verify and improve food and product safety.

The management team at each production site shall review the food safety management system at planned intervals to ensure its continuing suitability, adequacy and effectiveness. The review shall include assessing opportunities for improvement and the need for changes in the management system. Records of management reviews shall be maintained.

The certified production sites' food safety management systems are subject to yearly external audits by a third party.

5. Accountability, monitoring and compliance

This Directive has been approved by the policy owner of the Group Operations, Quality and Procurement Policy. The Directive owner Director Global Environment and Quality is responsible for the implementation of this Directive, including:

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

Billerud employees are expected to report violations (including suspected violations) of this Directive to the immediate manager or the Directive owner. Anonymous reporting of wrongdoings can be made through Billerud's whistleblowing system (Speak-Up Line). Questions or feedback about this Directive can be directed to the Directive owner.

