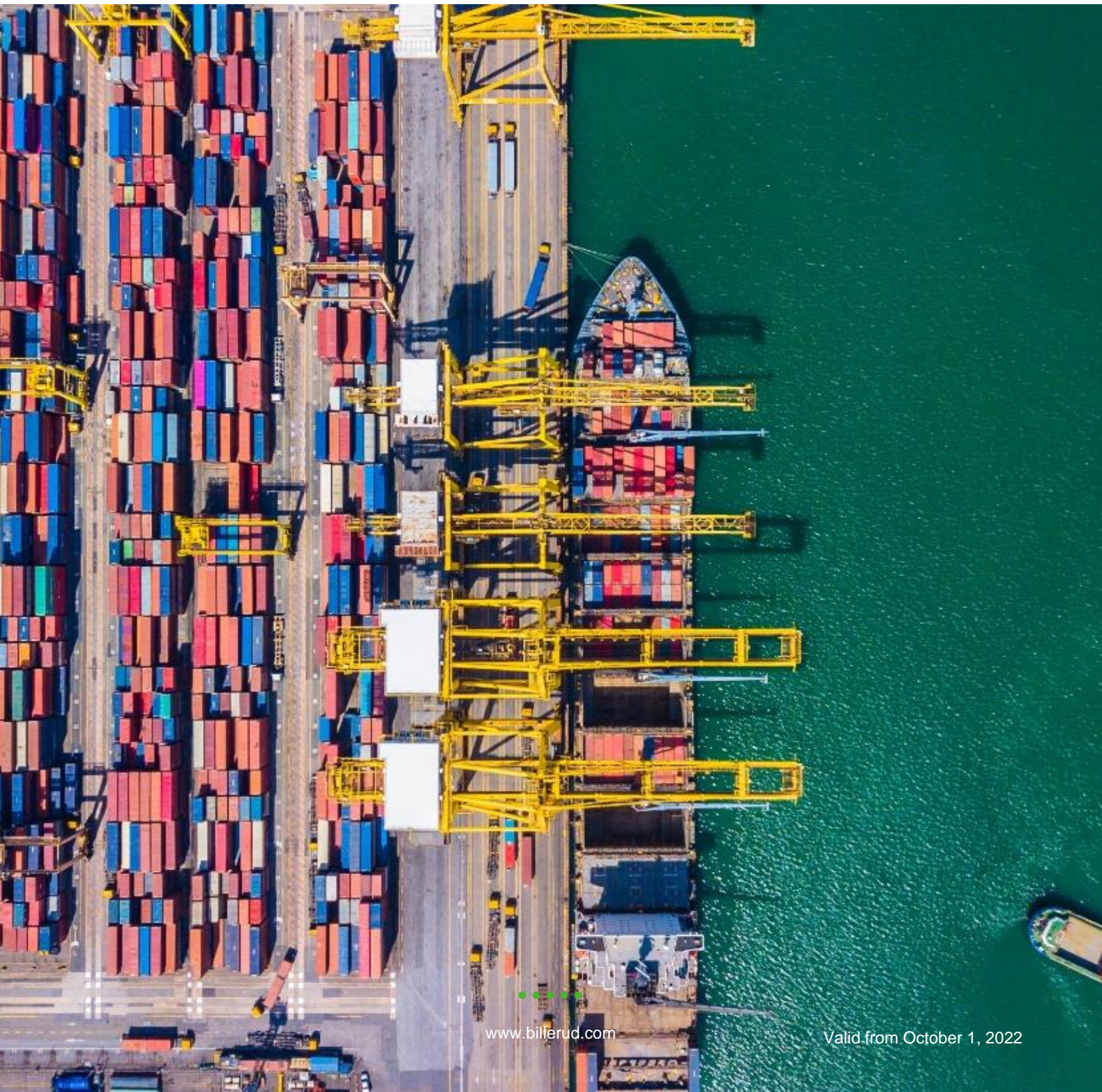




BILLERUD

# Supplier Code of Conduct



# Billerud Supplier Code of Conduct

Billerud's purpose is to make high performance packaging materials for a low carbon society. Our production units are located in Europe and the United States and we source from our supplier base around the world.

Billerud supports and works actively to comply with and promote international standards regarding environment, human rights, working conditions, anti-corruption and business ethics<sup>1</sup>.

This Supplier Code of Conduct (this "Code") is in line with our internal Code of Conduct and is based on the principles and guidelines referred above. Billerud expects its Suppliers comply with this Code and encourages them to establish corresponding codes of conduct or written policy statements to have a control over their supply chains.

## General compliance

Applicability: This Code applies to any legal person or legal entity that provides products and/or services to or on behalf of Billerud or any of its subsidiaries and affiliates (the "Supplier" and "Billerud" respectively).

Billerud requires all Suppliers to comply with the requirements set out in this Code, and to make sure that their suppliers and sub-suppliers are complying with standards that are not less strict.

Compliance with laws: The Supplier complies with all laws and regulations applicable to its business. In the event of discrepancies between this Code and applicable law, the strictest standard shall apply.

Management systems and monitoring: The Supplier does have adequate management systems and controls in place in order to secure and monitor its supply chain for compliance with this Code (or equivalent own standards) as well as applicable laws and regulations. The system shall be in proportion to the size, complexity, and risk environment of the Supplier's operations. The Supplier should have a process which allows its personnel to raise concerns, without fear of

retaliation, reporting of wrongdoings related to the principles of this Code as appropriate with consideration to the size and scope of its operations, and as a minimum in accordance with legal requirements.

## Business integrity

Anti-corruption: The Supplier shall not engage in, nor tolerate, any form of corruption, black-mail, embezzlement or bribery. The Supplier shall not offer, nor accept, any benefits or other means to obtain any improper or unfair advantage to a person, regardless of that person being in the private or the public sector. The Supplier shall never allow a third party to engage in corrupt practices on the Supplier's behalf. The Supplier shall avoid and prevent conflicts of interest between itself and Billerud.

Fair competition: The Supplier shall not enter into discussions, agreements or information sharing with competitors concerning pricing, market sharing or other similar activities which could have anti-competitive effects.

Money laundering, terrorist finance and financial crime: The Supplier shall take appropriate preventive and

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<sup>1</sup> These include but are not limited to the ten Principles of the UN Global Compact, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, OECD Convention on combating bribery of foreign public officials in international business transactions, the UN Global Goals, ILO Declaration on fundamental principles and rights at work and the Science based targets.



investigative actions to avoid being part of or facilitating money laundering, terrorism financing and/or other financial crime.

Export control/ Sanctions: The Supplier complies with all applicable economic, financial and trade sanctions, including those ordered or administered by the European Union, the United States, the United Nations, the United Kingdom and other jurisdictions to the extent applicable ("Sanctions and Export Control Laws").

Neither the Supplier, nor persons directly or indirectly owning or controlling it or any of its representatives (including directors and executive officers), are legal or physical persons subject to Sanctions and Export Control Laws.

The Supplier is not sourcing goods, materials or services including logistics from any legal or physical person subject to Sanctions and Export Control Laws. The Supplier shall apply adequate controls to ensure its and its suppliers' compliance with Sanctions and Export Control Laws, including third party screening and due diligence and binding business partners to sanctions compliance.

## Human rights and labour rights

Fundamental human rights: The Supplier shall support and respect internationally proclaimed human rights, and ensure that it is not complicit in human rights violations. The Supplier shall apply adequate measures to assess the risk of causing, contributing to or being linked to serious human rights violations.

Forced labour: The Supplier shall not use or benefit from forced labour or any other form of involuntary labour, including involuntary prison labour, slavery and servitude.

Child labour: The Supplier shall not employ persons younger than 15 (except where applicable local law allows in specified instances<sup>2</sup>, or younger than the legal age for employment, if higher than 15). The Supplier shall recognise the rights of young labour (below 18) to be protected from economic exploitation and from work that is hazardous or interferes with the individual's education or moral, social, spiritual, mental or physical development.

Discrimination: The Supplier shall treat employees with dignity and respect. No employees shall be discriminated against on the grounds of sex, race, colour, age, pregnancy, sexual orientation, religion, political opinion, nationality, ethnic origin, disease, disability or similar.

Organisation: Employment terms and conditions shall be regulated in writing. The Supplier shall fully respect and recognize the employees' right to form or join any associations of their own choosing, and to bargain collectively, as well as the rights of employees to refrain from doing so.

Wages: The Supplier shall pay at least the statutory minimum wage or the wage negotiated in an applicable collective agreement, whichever is higher. The Supplier shall pay the wage regularly and on time. All types of legally mandated benefits and compensations shall be paid, e.g. for overtime. No unfair deductions shall be made.

Working-hours: The Supplier shall ensure that working hours, including overtime, are reasonable, and do not exceed applicable legal limits. Where such requirements do not exist, we expect that working hours not exceed sixty hours per week including overtime on a regular basis. Employees shall be entitled to adequate rest (one day a week on a regular basis).

Data privacy and information security: The Supplier complies with all relevant data privacy and information security legislation and other related regulation when handling and/or processing personal data.

## Health and safety

Risk assessments: The Supplier shall ensure a safe and healthy workplace for all individuals. The Supplier shall carry out risk assessments, in a manner relevant to the Supplier's risk profile, and consider specific company and industry risks and take actions to mitigate identified risks. The Supplier shall track and report occupational injury and illness.

Information and equipment: The Supplier shall make sure that all employees receive and understand adequate information about safety arrangements in their work area, e.g. on emergency exits, fire extinguishers, first aid equipment etc. The employees shall also receive appropriate health and safety training and necessary protective equipment at no cost.

Drugs: The Supplier shall ensure that employees do not perform work while under the influence of alcohol or other drugs.

## Environment

Environmental permits and licenses: The Supplier shall obtain, maintain and comply with all required permits and licenses for its operations.

<sup>2</sup>In this context, *specified instances mean 14 years in developing countries specified in Article 2.4 of ILO Convention 138*



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Valid from 1 October 2022

Environmental protection: The Supplier shall endeavor to avoid and reduce adverse environmental impacts from its operations. The Supplier shall act to safeguard biodiversity. The Supplier shall handle environmental violations and complaints systematically, comply with all reporting obligations and keep stakeholders informed.

Resource efficiency and climate: The Supplier shall promote energy efficiency, sustainable use of resources and circularity. In order to actively reduce its direct and indirect greenhouse gas emissions, the Supplier shall minimize negative climate impacts and is expected to establish related targets and plans. The Supplier is expected to minimize its use of fossil fuels.

In addition, specific requirements may be agreed in commercial agreements.

Hazardous substances: The Supplier shall handle hazardous substances and chemicals responsibly, and where reasonably possible, substitute such substances for less hazardous ones.

## Non-compliance, reporting and audit

Reporting of non-compliance: The Supplier shall promptly notify Billerud of any material non-compliance or suspected non-compliance with this Code. Failure to notify Billerud of such non-compliance shall constitute a breach of this Code.

The Supplier is moreover encouraged to report any actual or suspected non-compliance by Billerud of the standards set in this Code. In situations where it is not possible to be open with the identity, Billerud has a "Speak-Up Line", which enables anonymous reporting of serious wrongdoings. For more information, see [www.billerud.com](http://www.billerud.com).

Disclosure and audit: At the request of Billerud, and subject to reasonable non-disclosure undertakings, the Supplier shall in due time provide relevant information to Billerud to monitor the Supplier's compliance with this Code. Billerud – or a third party authorised by Billerud and reasonably acceptable to the Supplier – shall have the right to conduct audit(s) of the Supplier in relation to its operations relevant for this Code. Audit(s) shall be conducted during normal business hours.

Enforcement: In case of a breach of the undertakings, representations and/or statements of this Code (where a breach includes that a representation made herein becomes untrue after the signing hereof), Billerud is entitled to require that the Supplier takes corrective measures. In addition, a material breach (as described in the previous sentence) that is of a non-rectifiable nature or not rectified swiftly, shall constitute a material breach of any contract(s) between Billerud and the Supplier, which enables Billerud the right to immediately terminate such contract(s).

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This Supplier Code of Conduct may be included as an integral part of a contract between the Supplier and Billerud, or it may be referred to in an agreement between the Supplier and Billerud, in which cases the execution or confirmation of such contract or agreement between the Supplier and Billerud represents the Supplier's agreement and undertaking to comply with this Supplier Code of Conduct.

In the event that the Supplier separately agrees to comply with this Supplier Code of Conduct, please do so by signing below.

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*By the execution of this Supplier Code of Conduct, we hereby agree with and undertake to comply with this Supplier Code of Conduct.*

Company:	
Date and place:	
Name of signatory(ies):	
Signature(s):	