



## ANTI-CORRUPTION POLICY

### Introduction

*“BillerudKorsnäs’ policy is to always comply with relevant laws and regulations in the countries where we are active. We choose business partners who apply principles in ethical, social and environment related issues similar to those we apply. BillerudKorsnäs expects the partners who have chosen to collaborate with us to adhere to the values expressed in our business code.*

*BillerudKorsnäs’ employees may not accept bribes, engage in bribery or participate in any form of corrupt business activity. We also do not give or accept gifts with more than a symbolic value or participate in activities that could affect our objectivity in business decisions.”*

*BillerudKorsnäs Code of Conduct*

This anti-corruption policy (the “Policy”) sets out BillerudKorsnäs’ rules regarding anti-corruption. The Policy supplements and expands on the BillerudKorsnäs Code of Conduct. Where a law conflicts with this Policy or the Code of Conduct, the more stringent measure shall be adhered to.

Failure to comply with anti-corruption laws and regulations can have very serious consequences for BillerudKorsnäs and its employees, such as very large fines, immeasurable damage to reputation and even criminal sanctions such as imprisonment and fines. Consequently, BillerudKorsnäs’ employees and business partners must take great care in exercising good judgement and never put themselves or others into a position which may violate this Policy or applicable anti-corruption laws.

It is never in the interest of BillerudKorsnäs to violate this Policy or any applicable anti-corruption laws. Any participation in a violation of this Policy or applicable law will be grounds for disciplinary action up to and including termination of employment.

### Prohibition against bribery

No employee of BillerudKorsnäs shall offer, provide, authorize, request, accept or receive a “bribe”, either directly or indirectly. No employee of BillerudKorsnäs shall perform his/her functions improperly in anticipation of, or as a consequence of a bribe.

A “bribe” means an improper benefit, whether a financial benefit or other advantage, if the purpose of the benefit is to encourage improper performance or misuse of a person’s position, regardless of whether that person has an assignment in the public or the private sector.

A bribe can take many forms and shapes. A bribe can for example be (but is not limited to):

- Cash or other forms of payment to a person to secure a contract or obtain a permit/license
- Gifts or entertainment intended to unduly influence the recipient to take a particular action
- Payment of travel expenses/accommodation for a customer when there is no underlying business purpose for a trip



## **Hospitality and gifts**

Giving and accepting benefits that constitute bribes is absolutely prohibited at BillerudKorsnäs. However, limited and reasonable corporate business gifts and hospitality can in some circumstances be accepted as a way of building business relationships if they are *transparent, proportionate, reasonable* and have a clear *business purpose*.

It may be difficult to know where the boundaries lie for bribery and corruption. Assessment is often affected by the circumstances in each case. As a minimum, a gift, hospitality or expense must:

- be given/accepted openly and be appropriately documented;
- be appropriate and of modest value;
- have a clear, legitimate business purpose;
- be an act of appreciation or hospitality between companies (not between persons);
- not consist of money, loans or anything that can be exchanged to a monetary value;
- not place the recipient under any obligation or expectation;
- not be misused to hide inappropriate gifts or entertainment; and
- comply with law, business practice, ethical standards and the rules of the recipient's company;
- not be offered on an overly frequent basis.

Additional criteria may have to be considered depending on the circumstances. If a BillerudKorsnäs employee is in doubt of whether or not a benefit is permitted, he/she should contact his/her immediate superior or the legal department of BillerudKorsnäs.

## **Agents and other business representatives**

BillerudKorsnäs does business with agents, consultants and other business representatives (below "Business Representatives") throughout the world. Our policy is that Business Representatives shall conduct business according to this Policy in the same manner as employees of BillerudKorsnäs. We must never allow or encourage Business Representatives or other third parties to pay or receive bribes or engage in other corrupt practices on BillerudKorsnäs' behalf.

Before engaging a Business Representative, a risk-based due diligence exercise shall be undertaken in respect of such representative in order to identify, assess and mitigate corruption risks. On-going relationships with Business Representatives should be subject to evaluation and continuous monitoring.

All Business Representatives must be appointed and compensated pursuant to a written contract with appropriate contractual protection against corruptive behavior. As far as practicable, the relevant BillerudKorsnäs template agreement should be used. Compensation to Business Representatives must be appropriate, reasonable and justifiable.

## **Suppliers**

BillerudKorsnäs selects suppliers on the basis of merit, and we shall make it clear to all suppliers that we expect them to compete fairly and actively for our business. Suppliers of goods and services shall be evaluated on the basis of predetermined criteria in order to identify, assess and mitigate corruption



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risks and to ensure that the supplier will behave in a manner consistent with this Policy. Payments to a supplier must be appropriate, reasonable and justifiable in return for legitimate products or services according to contract.

## **Facilitation payments**

Facilitation payments are not permitted. A facilitation payment is a payment to government officials for carrying out or speeding up routine procedures or services. The key element of this definition is that the service which the payment relates to must be something that the payers is entitled receive with or without the payment, but the payment is intended to speed up or otherwise facilitate the service.

## **Political donations, charitable contributions and sponsorship**

BillerudKorsnäs is politically neutral and does not make political donations. BillerudKorsnäs does not make charitable donations or sponsorships that could be interpreted as a substitute for political payments or used as a substitute for bribery.

## **General**

### *Responsibility for this Policy*

The CEO and President of BillerudKorsnäs has ultimate ownership of this Policy and the implementation and monitoring of compliance of the Policy. The contents of this Policy shall be regularly reviewed and updated.

### *Communication and Training*

BillerudKorsnäs' employees shall receive information on this Policy. The special needs, including appropriate training, of persons in higher risk functions, such as purchasing, distribution and marketing, and of persons working in high risk countries shall be taken into account.

### *Support*

If a BillerudKorsnäs employee is in doubt of whether or not a specific action or measure is allowed under this Policy and applicable law, he/she should contact his/her immediate superior or the legal department of BillerudKorsnäs.

### *Monitoring of compliance*

BillerudKorsnäs has introduced and will continue to introduce certain controls in its business in order to monitor compliance with this Policy and related procedures to highlight any failures to comply. In the day-to-day business, it is the responsibility of every manager to ensure that the employees of such manager's team comply with this Policy.

### *How to report suspected corruption and violations of this Policy*

Employees are encouraged to report violations of this Policy or applicable law by contacting his/her immediate superior or local personnel department. Violations can also be reported by using the BillerudKorsnäs whistleblowing function, which allows for both open and anonymous reporting. Reporting via the whistleblowing function is made either to the ethics committee or to the chairman of the BillerudKorsnäs audit committee. They can both be reached via the BillerudKorsnäs intranet.

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*This Anti-Corruption Policy was approved by the CEO of BillerudKorsnäs on 12 December 2013*