

Group Operations & Quality Policy

1. Introduction and Purpose

BillerudKorsnäs' mission/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 solutions industry with operations and presence around the world.

Our ambition is to meet high internal and external stakeholder expectations for quality and innovation through **our whole chain of activities from forestry to supply of finished goods and services**. An active focus on continuous improvements shall be the key development vehicle in our work with enhancing performance.

The purpose of the Operations & Quality Policy ("the Policy") is to define high level principles and requirements for BillerudKorsnäs' ambitions in this area.

This Policy is supplemented by underlying Directive(s) which sets out more detailed rules concerning operations and quality.

2. Scope and Applicability

This Policy applies to BillerudKorsnäs and its subsidiaries ("BillerudKorsnäs" or "the Group") and covers BillerudKorsnäs' business activities and operations globally. This Policy applies to all persons working for BillerudKorsnäs or on BillerudKorsnäs' behalf, including board members, employees, interns, and contractors ("Representatives").

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

3. Innovation

Innovation is an important part of the corporate strategy at BillerudKorsnäs. We are focusing on **continuously challenging conventional packaging** to obtain more sustainable solutions. The end result is new packaging solutions and materials that create value for our customers and at the same time support a profitable and sustainable growth of BillerudKorsnäs.

We shall innovate on more than one horizon. Today's products and processes generate today's profitability and need constant improvement to remain competitive. In addition, we also build new businesses by striving for an entrepreneurial mindset using our existing capabilities as a springboard. We are also applying new business models that create opportunities for the packaging industry as well as end users and create viable options to expand our business offer. Our innovations are the basis for building a valuable portfolio of intellectual property rights.

We cannot challenge the conventional alone. Our ability to establish strong, dedicated collaboration networks with key customers, suppliers, brand owners, start-ups and universities has been an innovation success factor for decades. A strong external research portfolio, including bi- and multilateral collaborations with leading scientists in the world, is a tool to effectively generate state of the art know-how. We shall continuously scout for new sustainable materials and enabling new technologies. Moreover, we shall position ourselves to be able to react to and lead change in a shifting global business and legislative environment.

Innovation is not just creativity, it is hard work. It is capability to execute, all the way from idea to market. The ability to focus by prioritizing and decide which ideas to pursue shall be based on evaluating the business potential as well as alignment with the strategy and our ability to execute. We shall excel in product road mapping and project management in order to secure the right market focus and a high launch rate of new and upgraded products.

4. Quality, product safety and efficiency

Quality, product safety and efficiency shall be integrated parts of BillerudKorsnäs way of operating. With this in focus, we enable success for our customers and sustainable growth of our business. The following principles guide our actions to deliver products, solutions and services that are preferred by our customers, resource efficient, safe and compliant with laws, regulations, customer demands and internal standards. Product safety includes e.g. food safety and demands for medical papers, more about this in the Product Safety Directive.

As essential elements of our commitment, we shall:

- Secure quality and product safety in what we do and how we do it, by doing the right things based on **structured work processes** that achieve effectiveness.
- Foster a **proactive way of work** to prevent quality and product safety deviations to occur with focus on risk management. Early identification of risks, consequence analysis and mitigation plans in place.
- Nurture a **zero-loss mind-set** to secure products and services matching the expectations of stakeholders by promoting quality and product safety awareness amongst all employees and third parties
- **Develop our employees** to be confident problem solvers through education and coaching.
- **Continuously challenge ourselves** to improve the quality of processes, products and services through review of objectives and results.

4.1 Food Safety

BillerudKorsnäs is committed to manufacture and deliver products that meet the food safety standards of the markets it supplies.

We comply with applicable statutory and regulatory requirements, as well as mutually agreed food safety requirements from our customers, ensuring the details of these requirements are effectively communicated. All our mills are certified to ISO 22000 or FSSC 22000, and through the application of good manufacturing practices and HACCP principles, we consider food safety as an integral part of our strategy.

To fulfil this policy we ensure that all the necessary resources are available and that our employees are continuously trained.

5. Continuous improvements

Through continuous improvements, BillerudKorsnäs strive to enhance performance through the value chain, creating greater customer value and contributing to the transition to a sustainable society.

Essential elements of our continuous improvement work are:

- **Identifying Key Performance Indicators** to measure the most important types of output, and set challenging but realistic targets for improvement.
- **Promoting a strong culture** of continuous improvement with our employees at the core through use of an active leadership style.
- **Creating curiosity to learn** from each other and to share best practices through use of cross-functional networks.

BillerudKorsnäs work with continuous improvements shall comply with relevant management systems standards.

6. Non-compliance and reporting

BillerudKorsnäs' representatives are encouraged to report breaches (including suspected breaches) of the Policy to their immediate manager, their local HR Business Partner or to the Group's General Counsel or Corporate Compliance Manager. Anonymous reporting can be made through BillerudKorsnäs Confidential Reporting System (Speak-Up Line). Any participation in a violation of this Policy or applicable law may be grounds for disciplinary and/or legal action. If you have questions or feedback on the Policy, please contact the Policy Owner or the Group's Corporate Compliance Manager.