

AR Packaging Code of Conduct

AR Packaging is one of Europe's leading companies in the packaging sector with the aim to optimise the benefits of packaging in our customers' value chain. The foundation of our business is the ability to build and maintain mutually beneficial long-term relationships with our customers, to develop sustainable and innovative packaging solutions and to attract motivated people.

We aim to guard this foundation by being committed to conducting our business in a legally, ethically, socially and environmentally responsible manner. As a member of the UN Global Compact, the company submits an annual progress report that describes our efforts to implement the ten principles of the Global Compact (www.unglobalcompact.org/what-is-gc/mission/principles). This Code of Conduct complies with the ETI Base Code, requirements of while all of the requirements are not explicitly stated (<https://www.ethicaltrade.org/resources/eti-base-code>).

Our vision and core values help us define our short- and long-term goals and give guidance on how we should act to reach our goals.

Vision

We create success through packaging

Core values

We are one company with core values that define our common culture:

- We are open and innovative
- We bring knowledge and improvement
- We strive towards a more sustainable tomorrow
- We act with a sense of urgency

While our vision and core values describe who we are, our actions make these values meaningful. What we do is important, but how we do it is just as important. Every action we take shapes the character of AR Packaging and ultimately differentiates and strengthens us in the marketplace.

This Code of Conduct helps us put our core values into action in everyday work situations and provides guidance for how we are expected to act. It also explains what you as an employee can expect from AR Packaging.

Harald Schulz
President & CEO

Scope and target group

Our Code of Conduct addresses ethical behaviour in our work environment, business practices and relationships with external stakeholders. We shall behave appropriately towards existing and potential customers, suppliers, employees, investors and other business partners, as well as towards the communities in which we act.

The Code of Conduct shall provide guidance to aspects relating to:

- How we respect human rights both inside and outside our company
- How we ensure that we operate in an environmentally responsible way
- How we maintain sound business ethics

The Code is applicable to all employees within the ÅR Packaging Group AB worldwide and the Board of Directors. Moreover, we expect our business partners, including suppliers, consultants and independent contractors, to adhere to standards similar to those reflected in our Code. Our suppliers, as well as others with whom they do business, including employees, subcontractors and other third parties, are expected to establish and maintain appropriate management systems and actively review, monitor and modify their management processes and business operations to ensure they align with the principles set forth in this Code of Conduct.

The Code is split into the key areas Introduction, Business ethics and integrity, Social ethics, Environmental responsibilities, Governance and how to report a violation of the Code. Where relevant, the Code refers to more detailed policies, such as Communication policy, HR policy and Quality policy, or guiding documents at corporate and/or local level. If any local policies and guiding documents vary from or are contradictory to our Code of Conduct this Code shall prevail.

Business ethics and integrity

Legal compliance

AR Packaging complies with the applicable laws, standards and other legal provisions of the countries in which it operates. We are aware of the continuous development of International Regulations and social standards and adopt those that are relevant to our business.

Competition

AR Packaging is committed to fair competition. Laws protecting competition, especially anti-trust laws and other regulations that regulate competition, shall be observed. Companies and employees must never engage in any anti-competitive activity such as illegal fixing of prices or the sharing of markets.

Anti-corruption and -bribery

AR Packaging is committed to working against corruption in all its forms, including extortion and bribery. No such illegal activity is tolerated either in action or as negligence by any of our employees, suppliers and business partners. We use suitable means to promote transparency, trading with integrity, responsible leadership and company accountability. The company shall comply with the applicable criminal law on corruption.

Gifts and entertainment

Neither AR Packaging employees nor anyone acting on our behalf may solicit, give or receive,

directly or indirectly, gifts, gratuities, special allowances or a benefit which could influence the judgement of the recipient or is deemed unreasonable in the context. However, AR Packaging also recognises and accepts that occasional modest – and in the context of business – reasonable, gifts or hospitality can make a valuable contribution to our business relationships.

Non-complicity

AR Packaging cooperates with customers in observing the potential use of its products and services for illegal purposes. Action will be taken in line with our business policy. A detailed policy on anti-counterfeiting and anti-illicit trade supports these principles.

Confidentiality

Confidentiality is maintained by AR Packaging and its employees with regard to its business partners' commercial secrets. The communication of confidential information to third parties or the public is prohibited. The obligation to observe secrecy continues to apply after the end of employment for all employees in line with applicable legislation.

Company assets

AR Packaging employees are expected to be loyal and share the responsibility of protecting the company's assets from loss, damage, misuse and destruction. Company assets shall not be used for personal purposes or in support of activities outside of AR Packaging.

Social

Human rights

AR Packaging supports and respects the protection of internationally proclaimed human rights, and ensures that company activities are not complicit in human rights abuses, for example, in our relationships with our suppliers. In practice this means that:

- We comply with applicable legal requirements relating to human rights.
- We identify, prevent and address actual or potential human rights infringements.

Discrimination and harassment

AR Packaging condemns discrimination in hiring and employment. No existing or potential employee should be discriminated against because of, for example, race, colour, gender, sexual orientation, marital status, pregnancy, parental status, religion, political views, nationality, ethnic background, social origin, social status, disability, age or union membership. The company disapproves of psychological, physical or sexual abuse and verbal harassment or abuse. Integrity, privacy and freedom of expression are guaranteed.

Freedom of association

AR Packaging respects the right of employees to establish or join trade unions and representative organisations of their own choosing in line with applicable local legislation.

Forced labour

AR Packaging will not use any form of forced or compulsory labour.

Child labour

Child labour and any form of exploitation of children and adolescents will not be tolerated. The corresponding laws must be observed.

Labour practices

AR Packaging is committed to providing fair compensation and working conditions for all its employees. Working hours shall be set according to the domestic laws in force or industrial standards. All employees are informed and have the right to know the basic terms and conditions of their employment.

Health and occupational safety

Domestic and international regulations to ensure occupational health and safety in the workplace are to be observed. By supporting risk analyses, training programmes and other precautionary measures, we ensure that our employees can perform their work in a safe and healthy manner. Detailed Health & Safety policies support these principles.

Product safety

Food safety plays an increasingly important role in consumers' lives. We apply risk awareness and strict hygienic procedures in our operations as well as maintain a high level of expertise in functional barrier packaging, thereby contributing to increased safety of the products packed in our packaging solutions.

Land rights of communities

AR Packaging takes action to ensure that land rights of communities, including indigenous peoples, will be protected and promoted.

Environment responsibilities

At AR Packaging we recognise that environmental responsibility is a precondition for the survival and prosperity of all living beings. Consequently, environmental responsibility for us means that our products are designed and produced with environmental consideration.

Environmental protection

AR Packaging promotes sustainability across all aspects of the business, fulfils the requirements and standards for environmental protection and acts in an environmentally conscious way in all locations in which we operate. In this context, we strive for environmentally compatible production methods and a considerate use of our planet's resources.

Sustainable products

We actively work with customers to decrease material usage with smartly designed alternative constructions and to increase the amount of renewable materials in the packaging. The main material used is fibre-based cartons and paper made from natural renewable wood. Wood used in the company's products is primarily from sustainably managed European forests and no wood originates from rainforests or other endangered eco-systems.

Operations

We operate our business and provide products in a way that minimises environmental impact. AR Packaging is part of the Carbon Disclosure Project (CDP), working with stakeholders to disclose and reduce greenhouse gas emissions. The overall aim is to minimise environmental impact that relates to our activities, products and services. We therefore support a precautionary and careful approach to environmental challenges.

Governance and monitoring of the Code

This code is approved by AR Packaging's Board of Directors. All employees should be familiar with our Code of Conduct and other policies relevant to their jobs and apply them in their work. Managing Directors and plant managers of subsidiary companies are responsible for translating the policy and associated policies into local rules and procedures, in addition to those required for compliance with local legislation. They have the responsibility of ensuring that their employees are aware of this policy. In addition, all white collar employees should sign off that they have understood and will apply the policy. External audits will support the monitoring of compliance with this policy.

Non-compliance with the Code

Violations of this Code of Conduct will always be taken seriously and may lead to disciplinary action up to and including termination of employment. In addition, violating the law may subject you and the company to substantial criminal fines, custodial sentences and/or civil damages.

Reporting violations

All employees and other stakeholders who suspect a breach of this policy shall report the matter to relevant supervisors, plant managers or a Human Resources representative. If necessary they can use the AR Packaging whistleblowing service. Contact information is posted at every local facility and is available online (www.report.whistleb.com/AR-Packaging). The whistleblowing service is an external service for reporting suspected breaches of our values and Code of Conduct where reporting parties may remain anonymous. All communications will be investigated as appropriate and will be kept as confidential as possible. No employee acting in good faith will be subject to disciplinary measures for providing information concerning suspected violations of law or company policy.

Practical guidance

In our daily work we may face situations from time to time which are not explicitly covered by our Code of Conduct or other policies and guiding documents. Often it is a question of common sense or prior experiences. If we are unsure about the correct behaviour in a specific situation, we should ask ourselves, or discuss with a colleague, the following questions:

- Is the behaviour legal?
- Am I a good role model?
- Have I made a decision that would stand close examination by newspapers or on TV?
- Do I become dependent on my behaviour/acceptance of amenities?