

Policy against bribery and corruption

Brødrene Hartmann A/S

I. Introduction

Brødrene Hartmann is a member of the UN Global Compact and wants to comply with the principles in the Compact in order to secure integrity and honesty about the company's brand. Therefore, it is important that you read and understand this policy – and that you comply with the rules set out below, so you won't contribute to any illegalities.

Always be aware that corruption is not legal anywhere in the world, and that Brødrene Hartmann insists on driving long term value creation by legal means only. If we can't do business without corruption, we simply don't do business.

Thank you for being a part of Brødrene Hartmann, and thank you for protecting our integrity by refusing corruption.

Sincerely,

CEO, Torben Rosenkrantz-Theil

2. Your responsibilities as an employee in Brødrene Hartmann

This policy and appendix apply to all employees in Brødrene Hartmann and contracted employees that act on behalf of Brødrene Hartmann.

All business partners including suppliers and other third parties can have direct impact on our reputation through their behavior. For this reason, it is important that they share our commitment to our anti-bribery policy by acting in accordance with the responsibilities mentioned below.

All *employees* are expected to:

- Read, understand and comply with this anti-bribery policy
- Ask for help, if you are not sure if a decision or action, you are considering, is compliant or lawful
- Make sure to do due diligence on new suppliers and have them sign a contract, where they commit to not use bribery or corruption in their business activities
- Understand that you have an obligation to promptly report any activity that in your judgement would violate this policy

All *managers* are expected to:

- Lead by example, in both words and action, towards employees and third parties representing Brødrene Hartmann
- Make sure that thorough due diligence has been made on new suppliers and that a contract has been signed, where the supplier is committed to not use bribery or corruption in their business activities
- Promote open and honest two-way communication with your team, encouraging them to raise their questions and concerns and letting them know, when an issue has been resolved
- Acknowledge and support any employee and third parties representing Brødrene Hartmann, who comes forward to discuss an issue or report a potential violation and ensure that there is no retaliation for doing so
- Discuss this policy and the company values with your team and make sure that the employees are trained and informed about the policies, procedures and compliance risks that apply to their position

All *associated companies* are expected to:

- Comply with this policy

All *third parties* representing Brødrene Hartmann are expected to:

- Read, understand and act in a manner consistent with this policy

3. Report your concerns

Brødrene Hartmann encourages employees to report concerns through the channel, which they are most comfortable with. It could be your manager, another member of management, or a relevant supporting function such as Legal (legal@hartmann-packaging.com) or HR (hr@hartmann-packaging.com). You can also report through the whistleblower system.

Suppliers, customers and other parties involved with Brødrene Hartmann may report suspected violations of laws or this policy to the whistleblower system.

Brødrene Hartmann does not tolerate retaliation against persons or companies making reports in good faith.

4. Consequences in case of misconduct

If employees do not comply with this anti-bribery policy, it will result in appropriate disciplinary action including termination of employment and/or civil and criminal liability. This will be determined in proportion to the offense.

Associated companies or third parties, who does not comply with the policy, may risk a termination of the engagement with Brødrene Hartmann and/or civil and criminal liability.

5. What you can do as an employee in Brødrene Hartmann

Employees can accept modest gifts, meals or entertainments from a supplier in cases, where it is obvious, and without any doubt, that the gift, the meal or the entertainment has not been given in order to influence, **or appear to influence**, your or Brødrene Hartmann's decision in relation to the supplier. When deciding whether a gift etc. is appropriate to accept, employees must take into account any past, pending or future business or administrative matters that are within your realm of influence. The timing and context of such gifting must be considered in order to assess whether any particular gifting could objectively be perceived as bribery.

You can receive the modest gift, meal or entertainment, if it is not:

- cash or cash equivalents (a voucher is a cash equivalent and can't be received)
- inconsistent with customary business practice and supplier company policy
- Above 50 euro
 - Exceptions to the 50 euro rule may apply to events that have a clear business purpose, such as networking or seminars etc. An event, where other people from outside Brødrene Hartmann participates, will often have a clear business purpose, and the 50 euro rule will then not apply. If your family is invited, it will often not be a clear business purpose and the 50 euro rule will apply. Approval by your manager is required, if the value exceeds 50 euro.
- do not violate any law

6. What you can't do as an employee in Brødrene Hartmann

You can never offer, promise or authorize the giving of money, or anything else of value, to a supplier, an organization, a government official, or to any other person or body, if the purpose is to secure an improper advantage for the company.

You can also never receive money, or anything else of value, from a supplier, an organization, a government official, or any other person or body, if the purpose is to secure an improper advantage for the supplier etc.

The prohibition covers cash payments, benefits and also favours, and are prohibited regardless of whether or not they are made directly or indirectly through third party intermediaries.

Please be aware that facilitating payments are also bribery. Brødrene Hartmann does not allow the use of facilitating payments – no matter the size of the amount. Such payments may be considered a customary way of doing business in some countries, but it is important to understand that the anti-bribery laws of many countries prohibit such payments. Employees and third parties, in particular third party intermediaries, are prohibited from making facilitating payments on the company's behalf.

Under exceptional circumstances, i.e. when an employee's safety is at risk, a facilitating payment may be permissible.

When a payment has been made to secure an employee's safety, an incident report must be submitted to the Executive Management. Please contact Legal, if such an exceptional situation should ever happen.

7. Examples (not exhaustive)

EXAMPLE SCENARIO 1 - Sales:

You are a part of Brødrene Hartmann's sales force and you are trying to gain a large new IP deal with a new product for which volumes would be huge.

Your contact with the potential customer lets you know that only a few other suppliers are considered and that he can provide you with the details of their offers (price, material, supply conditions, etc.). Since Brødrene Hartmann is not yet a supplier to this customer, the contact lets you know that this is not customary and that the contact potentially can get into trouble for sharing this information with you, but that the contact likes you and Brødrene Hartmann. The contact then suggests that you provide a couple of theater tickets for this kind assistance.

In this situation, you will receive an improper advantage by receiving this information in exchange for theater tickets. You are prohibited from offering theater tickets, or any other gift, meal or entertainment, to the contact.

EXAMPLE SCENARIO 2 - Procurement:

You are a local purchaser and have always used the same supplier of Chemical A, as the supplier is local. You have a good and friendly relationship with the supplier after having done business together through many years. The supplies of Chemical A have been very unsteady over the past year and the price has gone up. You know there is a number of other suppliers in the market, but you do not feel comfortable terminating your long and friendly relationship.

In this situation, you have to ask yourself, if the supplier of Chemical A, due to the long business relationship, can contribute to Brødrene Hartmanns business in ways, which is not solely related to the supply of Chemical A. It could be knowhow or a large network etc. If the contract is only maintained due to the friendly relationship, it is not enough to stay in the contract, when other suppliers can deliver Chemical A for a lower price.

EXAMPLE SCENARIO 3 – Production and government officials:

You are employed at a production site and since a few months the factories' deinking sludge has been contaminated with a dangerous pollutant, which makes it unfit for the usual disposal. The local municipalities are checking the test results and has warned you that the factory will be fined until the problem is solved, in a phone conversation, though, the administrative officer lets you know that he/she can forget about this for a few months, if you will take him/her to a concert, where you can discuss the matter.

In this situation, you are also obliged to refuse the offer, since Brødrene Hartmann will receive an improper advantage by buying concert tickets to the administrative officer in exchange for this person to "forget" the problem.

EXAMPLE SCENARIO 4 – Telecommunication

You are about to start a telecommunication tender and have selected 4 potential suppliers, who should participate. Supplier X calls to invite you for dinner followed by a concert and makes it very clear that this is a customer arrangement where other customers will participate.

In this situation you must decline the invitation and explain the supplier that accepting the invitation will conflict with the internal rules since we at Brødrene Hartmann always do our utmost to treat our suppliers as objective as possible and to create the highest transparency.

EXAMPLE SCENARIO 5 – Preferred supplier

One of Brødrene Hartmann's preferred supplier's offers to sponsor a teambuilding event day followed by a dinner and a night out.

In this situation, you must decline the invitation and explain the supplier that his invitation conflicts with our anti-bribery policy and is beyond what's acceptable.

EXAMPLE SCENARIO 6 – Christmas present

One of your suppliers ask for your personal address, because he wants to make sure that you receive a Christmas present, which he has personally bought for you.

In this situation, you must explain the supplier that the present must be sent to the company address and that it must not exceed 50 euros. If the gift is more expensive than 50 euros, you can't accept the gift and must send it back. Please also inform your immediate manager about the gift.

Annex I: Glossary

Bribery:

Anything of value given in an attempt to affect a person's actions or decisions in order to gain or retain a business advantage.

Corruption:

The misuse of public office or power for private gain or the misuse of private power in relation to business outside the realm of government.

Facilitating payment:

Any small or nominal payment made to a government official, typically to speed up and/or secure the performance of a non-discretionary "routine governmental action". Activities that constitute "routine governmental actions" are for example: obtaining permits, licenses or other official documents to qualify a person or entity to do business in a foreign country; processing governmental papers, such as visas and work orders; providing police protection, mail pick-up and delivery, or scheduling inspections; providing telephone services, power and water, loading cargo or protecting goods from deterioration. Facilitating payments are different from express payments, used to speed up a process. Express payments are legitimate payments, for which one can receive an invoice or receipt so that the transaction can be duly registered in the books.

Government official:

Any officer or employee of a local, state, regional or national government or any department, agency or ministry of a government; individuals who, although temporarily or without payment, hold a public position, employment or function; employees of a public international organisations; the individuals acting in an official capacity for or on behalf of a government agency, department, ministry or public international organisation; political party officials or any candidate for political office; employees of a state-owned or state-controlled entity, as well as entities or individuals that perform a government or public function (such as airports or seaports, utilities, notaries, arbiters etc);

Family members of any of the individuals listed above may also qualify as government officials, if interactions with them are intended to confer, or have the effect of conferring, anything of value on a government official. Any questions relating to whether an individual or an entity constitutes a "government official" must be directed to Legal.

Improper advantage:

Paying or giving anything of value directly or indirectly in order to: influence or prevent a government action, or any other action, such as the awarding of a contract, the imposition of a tax or fine, or the cancellation of an existing contract or contractual obligation; obtain a license, permit or other authorisation from a government entity or government official to which Brødrene Hartmann is not otherwise entitled; obtain confidential information about business opportunities, bids or the activities of competitors; influence the awarding of a contract; influence the



termination of a contract that is disadvantageous to the Group, influencing the adjudication of lawsuits and enforcement actions and obtaining exceptions to regulations.