

## **K.Hartwall (KHW) Ethics Policy Statement**

The purpose of this Ethics Policy Statement is primarily to ensure that all employees of KHW and anyone acting on behalf of KHW have a common framework and consistent standpoint on how KHW are conducting its business globally.

Secondly, this Statement communicates KHW's main principles regarding ethical issues concerning Agents, Partners and Suppliers providing either final products, components, raw materials or services to KHW's business and processes. The key message of this Statement is that KHW require the same principles from Agents, Partners and Suppliers as KHW require from employees working directly for KHW.

Thirdly and very importantly, this Statement is open and public information to all Customers of KHW, providing specific guidelines related to ethical issues and principles. It is the purpose of KHW to ensure that the principles and behaviours outlined in this Statement are crisp and clear and that they serve the various Customer questionnaires and data bases related to the ethical issues.

In this Ethics Policy Statement, we provide guidance on several ethical issues such as Complying with the Laws, Refusing Bribery, Safeguarding Proprietary and Confidential Information and Fulfilling the Environmental Responsibility in KHW's business.

It is crucial that this Ethics Policy Statement is well communicated and readily available to all KHW stakeholders mentioned above. Additionally, it is the responsibility of all stakeholders to read and familiarise themselves with the content of this Ethics Policy Statement. Additionally, all comments and feedback are highly appreciated to maintain this Statement up-to-date and to meet the demands of the constantly changing business environment.

Yours sincerely,

Jerker Hartwall  
CEO, K.Hartwall

## 1. Complying with the Laws

KHW as a company always comply with all global and local laws and relevant regulations. This requirement applies to every individual employee working for KHW, as well as to every Agent, Partner and Supplier providing materials or services to KHW or acting on behalf of KHW.

KHW comply also with all national and international Intellectual Property Rights (IPR) legislation, preventing illegal copying of technologies and products. KHW also actively defend their own IPR's, benefitting in this way its Customers from illegal, uncontrolled and irresponsible copying of the new efficiency innovations.

## 2. Refusing Bribery

KHW define a bribe as a payment or offering of goods or services, with the purpose of providing a person or a company with an unlawful and dishonest advantage. Any kind of bribery within KHW business operations is strictly forbidden. This rule applies both ways, i.e. to both receiving and giving bribes.

Within the business world, giving and receiving of small business gifts is in general a legitimate part of creating goodwill between business partners and building business relationships. As a general rule, gifts given or received shall always be modest and shall never be offered or received if it can make the recipient feel obligated or expected to give counter favours. The same principle as with gifts applies to entertainment as well, such as dinner invitations, entertainment shows, trips, courses and client events.

## 3. Safeguarding Proprietary and Confidential Information

In business relationships with Customers, Partners or other stakeholders, KHW receive and produce proprietary and confidential information to be able to fulfil the requirements of the relevant business contacts and agreements. As a general rule, KHW comply with all applicable laws and regulations protecting such proprietary and confidential information.

Additionally, detailed procedures concerning identification, handling and disclosing of proprietary and confidential information shall be agreed upon in separate Non-Disclosure Agreements made and communicated between KHW and their Customers, Partners or other stakeholders.

Proprietary and confidential information include for instance:

- Trade secrets and know-how, product concepts and drawings, innovations
- Business strategies, business ideas, processes, plans and proposals
- Capacity and production information, construction plans
- Marketing or sales forecasts and strategies, Customer information
- Price lists
- Partner and Supplier data

## 4. Fulfilling the Environmental Responsibility

KHW strive at reducing the environmental impact of their operations as regards resource consumption, discharges, waste volumes and alike, and KHW act environmentally responsible in all their operations.

Additionally, every KHW employee, Agent, Partner or Supplier has the same individual responsibility in his or her work. This includes the obligation to act, either directly or by reporting to KHW management, whenever a violation against environmental policy, law or regulations is occurring or suspected.

## 5. The Labour Ethics and Health & Safety in our Business

KHW regard Health and Safety as fundamental aspect in all their doings and require highest standards of incident-free work conditions from its own operations, as well as from its partnered production, development and agent or distributor sales operations. KHW prohibit the use of child or forced labour in any of KHW's own operations and require those of KHW partners and suppliers to act similarly.

KHW place a high priority on the health, safety and security of its employees. In particular, KHW require the same high Health & Safety standards to be obeyed at all Agents, Partners and Suppliers for KHW as at KHW themselves.

KHW will protect the right to privacy of employees and other stakeholders. Data and other information about KHW employees or other stakeholders will be kept confidential and not used without their consent save where permitted or required by law.

KHW will respect freedom of association and the right to collective bargaining for KHW employees, in accordance with the law or practice of the countries in which KHW operates.

## 6. The Way KHW Competes

Competition and anti-trust laws apply in many countries in the world and especially in most countries where KHW does business. Violation of these laws can result in significant penalties on the company and in many cases, the individuals concerned.

KHW is committed to lawful, straightforward and ethical competition. It is our policy to ensure that our business practices fully comply with the competition laws wherever we do business. It is not possible to list all valid anti-trust laws in this statement, but as an example the most critical business activities to refuse are:

- Inappropriate Contact – any communication, written or verbal from a competing company which suggests coordination or agreement on price level, output or capacity levels, division of customers or geographic territories, or regarding the price or decision to bid.
- Price Fixing – Formal or informal agreements with competitors to price levels.

## **7. Implementation of the Ethics Policy Statement**

As said above, this Ethics Policy Statement applies to all KHW employees and anyone acting on our behalf, such as Agents, Distributors and Partners. All those who act on behalf of KHW shall be provided with the Ethics Policy Statement and they are required to follow it. When necessary, the obligation to comply with the Ethics Policy Statement shall be incorporated into contracts with third parties.

## **8. Updating the K.Hartwall Ethics Policy Statement**

The Owner of this Ethics Policy Statement is the CEO of K.Hartwall. The Statement is reviewed annually in the Global Management Team (GMT) and updated accordingly when necessary. Each new version of this Statement will be approved by KHW GMT.