



# ANTI-CORRUPTION POLICY

Policy Revision Date: July 8, 2021

## 1. Purpose

The nature of our business often requires that we interact with officials of various governments around the world. Our Code of Business Conduct, the law and this Anti-Bribery Policy establish certain limits on those interactions, particularly where we might be providing something of value to a government official.

This policy is intended to provide a level of awareness about the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act (UKBA) and other anti-bribery laws in order to avoid inadvertent violations and to recognize potential issues in time for them to be addressed appropriately. A violation of anti-bribery laws can lead to severe civil and criminal penalties; therefore, it is vital that we not only understand and appreciate the importance of this policy but comply with it in our daily work.

## 2. Scope

This policy applies to all Louisiana-Pacific Corporation ("Company" or "LP") legal entities worldwide owned directly or indirectly by LP, including all its operating units, subsidiaries, and affiliates. For purposes of this policy, the term "LP" is deemed to refer to and include all of the above-mentioned entities - all LP employees worldwide. For the purposes of this policy, "LP employees" include all complementary/contingent workers - all third parties acting for and on behalf of LP, wherever they are located.

## 3. Descriptions of Anti-Corruption Laws

LP will conduct every business transaction with integrity, regardless of differing local manners and traditions, and will comply with:

- The laws and regulations of the United States, particularly the Foreign Corrupt Practices Act (FCPA);
- The anti-corruption laws and regulations of other countries in which the company operations, including the UK Bribery Act of 2010;
- LP policies and procedures; and

- The LP Code of Conduct

4. **Prohibited Payments.**

Company Personnel are prohibited from directly or indirectly making, promising, authorizing, or offering, anything of value to non-US (foreign) government officials (as defined in (b) below.)

This Policy also prohibits Company Personnel from directly or indirectly making, promising, authorizing, or offering, anything of value to US government officials, actual or potential clients, customers, distributors, suppliers, agents, and advisers (together with non-US government officials, "**Third Parties**"), on behalf of the Company to secure an improper advantage, obtain or retain business, or direct business to any other person or entity. In addition, Company Personnel are prohibited from accepting or requesting anything of value from such Third Parties.

(a) **Cash and Non-Cash Payments: "Anything of Value."** Payments that violate Anti-Corruption Laws may arise in a variety of settings and include a broad range of payments beyond the obvious cash bribe or kickback. Under this Policy, Company Personnel are prohibited from giving or accepting anything of value for an improper purpose. Items of value can include, for example:

- (i) Gifts.
- (ii) Travel, meals, lodging, entertainment, or gift cards.
- (iii) Loans or non-arm's length payments/transactions.
- (iv) Charitable or political donations.
- (v) Business, employment, or investment opportunities.

(b) **Non-US Government Official.** The FCPA broadly defines the term non-US government official to include:

- (i) Officers or employees of a non-US government, or any department, agency, or instrumentality thereof.
- (ii) Officers or employees of a company or business owned in whole or in part or controlled by a non-US government (a state owned or controlled enterprises).
- (iii) Officers or employees of a public international organization (such as the United Nations, World Bank, or the European Union).
- (iv) Non-US political parties or officials thereof.
- (v) Candidates for non-US political office.

This term also includes anyone acting on behalf of any of the above.

(c) **Commercial Bribery.** Bribery involving commercial (non-governmental parties) is also prohibited under this Policy. To this end, Company Personnel shall not offer, promise, authorize the payment of, or pay or provide anything of value to any employee, agent, or representative of another company to induce or reward the improper performance of any function or any business-related activity. Company employees and agents also shall not request, agree to receive, or accept anything of value from any employee, agent, or representative of another company or entity as an inducement or reward for the improper performance of any function or business-related activity.

## 5. **Permitted Payments under the FCPA.**

Facilitating (or expediting) payments are small payments paid to non-U.S. government officials to expedite or facilitate non-discretionary actions or services, such as obtaining an ordinary license or business permit, processing government papers such as visas, providing police protection, providing telephone, power or water service, or loading or unloading of cargo.

(a) **Facilitation Payments.** LP does not accept and will not make any form of facilitation payments of any nature. Although there is a narrow exception for facilitating payments under the FCPA, such payments are prohibited under the UKBA and the laws of many other countries. Therefore, in order to ensure compliance with all applicable Corruption Laws, our Company prohibits facilitating payments altogether.

If you have routinely made facilitating payments to non-U.S. government officials or encounter a situation that you believe may require a facilitating payment, contact LP's legal counsel immediately.

### **Extortion/Duress**

Requests or demands for a bribe or other payment might take the form of a personal threat to the health or safety of a person. If a demand for a bribe or payment request is made, you must notify LP's Legal Department as soon as possible. If there is a threat made to your health or safety, you should take whatever action you deem appropriate to ensure your safety. If you are not able to notify LP's Legal Department in advance of making a payment, you must notify the Legal Department as soon as possible after making the payment and document any transactions in accordance with the provisions of this Policy.

(b) **Promotional Hospitality and Marketing Expenses or Pursuant to a Contract.** The Company may pay for the reasonable cost of a non-US government official's meals, lodging, or travel if, and only if, the expenses are bona fide, reasonable, and directly related to the promotion, demonstration, or explanation of Company products or services, or the execution of a contract with a non-US government or agency.

(c) **Promotional Gifts.** Promotional gifts of nominal value may be given to a non-US government official as a courtesy in recognition of services rendered or to

promote goodwill. These gifts must be nominal in value and should generally bear the trademark of the Company or one of its products.

6. **Political and Charitable Contributions.**

The Company recognizes the right of Company Personnel to participate in political matters within their home countries, so long as their involvement and participation is at their own choosing, on their own time, at their own expense, and in compliance with local law. Unless pre-approved in writing by the Company's General Counsel, or other designated officer, the Company's funds, or assets, including the work time of Company Personnel, shall not be contributed, loaned, or made available, directly, or indirectly, to any political party or the campaign of any candidate for political office, even if such contributions are permitted by law. Likewise, charitable contributions to non-US charities must be pre-approved in writing by the Company's General Counsel, designated Company official, or approved under an existing Company-sponsored policy.

7. **Recordkeeping.**

It is the Company's policy to implement and maintain internal accounting controls based upon sound accounting principles. All accounting entries in the Company's books and records must be timely and accurately recorded and include reasonable detail to fairly reflect transactions. These accounting entries and the supporting documentation must be periodically reviewed to identify and correct discrepancies, errors, and omissions.

(a) **Authorization for Transactions.** All transactions involving the provision of anything of value to a US or non-US government official must occur only with appropriate Company authorization.

(b) **Recording Transactions.** All transactions involving the provision of anything of value to a US or non-US government official must be recorded in the Company's books and records.

(c) **Tracking Transactions.** All transactions involving the provision of anything of value to a US non-US government official must be tracked in a separate log or record maintained by the General Counsel's office, with supporting documentation identifying:

(i) The name and position of the employee requesting and authorizing the transaction.

(ii) The name and position of the US or non-US government official involved in the transaction.

(iii) A description, including the value, of the payment or provision of anything of value, and where applicable, a description of the Company's products or services being promoted or the relevant contractual provision if the payment was made pursuant to a contract.

8. **Cash Payments.**

Cash payments of any kind to a third party, other than documented petty cash disbursements or other valid and approved payments, are prohibited. Company checks shall not be written to "cash," "bearer," or anyone other than the party entitled to payment except to replenish properly used petty cash funds.

9. **Third Party Representatives.**

All third-party Company representatives must fully comply with the FCPA, UKBA, and all other applicable laws.

10. **Due Diligence.**

To ensure that the requirements of this policy are met in relation to third parties, business managers are required to conduct due diligence on such third parties and comply with any other requirements of the anti-corruption policy, including but not limited to pre-engagement and post-engagement due diligence, execution of anti-corruption contractual provisions appropriate for the particular business transaction, and post-engagement or post-deal due diligence and monitoring.

11. **Red Flags**

While conducting due diligence and throughout any subsequent relationship, you must monitor for any red flags. A “red flag” is a fact or circumstance which requires additional consideration and extra caution. Red flags may appear in many forms and can include:

- Payments in a country with a history or reputation for corruption;
- Refusal to provide a certification of compliance with the FCPA;
- Unusual payment patterns or requests, including payments to third parties, in cash, and payments made to bank accounts outside the country;
- Representations or boasting about influence or connections;
- Use of a shell or holding company that obscures ownership without credible explanation;
- Accusations of improper business practices (credible rumors or media reports, etc.);
- Family or business relationship with the government or a government official;
- Requests for payments up front or statements that a particular amount of money is needed to get the business to make the necessary arrangements or similar expressions;
- Unusually high commissions, agent fees, or payments for goods or services;
- Apparent lack of qualifications or resources;
- Whether the representative or joint venture partner has been recommended by an official of the potential government customer;
- Requests to be able to make agreements without the company’s approval; and
- Requests that agreements or communications be kept secret.

You are responsible for monitoring your email and other communications and documents for red flags. Any red flags should be brought promptly to the attention of your supervisor or the Compliance Officer. Failure to do so is considered a violation of this Policy.

12. **Third Party Contracts.**

Written contracts govern LP's relationships with third parties in connection with LP's international business dealings and shall include the necessary terms, conditions and protections for LP as it regards the FCPA and related laws, including LP's right to audit.

13. **Third Party Certification.**

In negotiating any business relationship involving international business dealings, it shall be required for LP or any LP person acting on LP's behalf to require partners, agents or representatives to provide executed FCPA compliance certifications. Such certification shall include:

- An acknowledgement of the LP's Anti-Corruption and Anti-Bribery Policy,
- A covenant by the person not to make or cause to be made any unlawful offer, promise, or payment to a foreign public official, and
- Pledge not to do anything that would cause LP to be in violation of the FCPA.

14. **Compliance.**

Company employees and agents are expected to be familiar with and perform their duties according to the requirements set out in this Policy. Company employees or agents who violate this Policy are subject to disciplinary action, up to and including dismissal. Third-party representatives who violate this Policy may be subject to termination of all commercial relationships with the Company.

To ensure that all Company employees and agents are thoroughly familiar with the provisions of this Policy, the FCPA, the UKBA and any other applicable anti-corruption laws, the Company shall provide anti-corruption training and resources to those Company employees and agents, as appropriate.

15. **Duty to Cooperate.**

The Company may at times undertake a more detailed review of certain transactions. As part of these reviews, the Company requires all employees, agents, and third-party representatives to cooperate with the Company, outside legal counsel, outside auditors, or other similar parties. The Company views failure to cooperate in an internal review as a breach of your obligations to the Company and will deal with this failure severely in accordance with any local laws or regulations.

16. **Questions About the Policy.**

If you have any questions relating to this Policy, please contact LP's General Counsel.

17. **Reporting Policy Violations.**

Any attempt by Third Parties to solicit or extort improper payments (or anything of value) or to provide or give such payments to Company employees or agents, or to improperly influence the conduct of Company Personnel in the performance of Company-related business may constitute a violation under this Policy.

To report potential violations of this Policy, immediately notify your supervisor, local HR representative or the LP legal department. You can also report a concern through the LP Confidential Hotline at 1-800-496-4892 or LPConfidential.lpcorp.com.

Any Company employee or agent who, in good faith, reports suspected legal, ethical, or Policy violations will not suffer any adverse consequence for doing so. When in doubt about the appropriateness of any conduct, the Company requires that you seek additional guidance before taking any action that may subject the Company to potential Anti-Corruption Law liability.

18. **Audit & Report to Board**

LP management shall monitor FCPA compliance through its efforts including defined review and approval steps that management performs as well as compliance auditing conducted by the LP Internal Audit department in areas such as, but not limited to:

- Review of the documentation and the communication of this Policy and relevant standards and controls to LP officers, directors, and employees;
- Review of and assurance that communications and training are targeted to key employees;
- Review of procedures to ensure delivery and receipt of training to key employees;
- Review of procedures to ensure certification (and documentation) by employees of compliance with this Policy;
- Assurance that agreements and relationships with Commercial Representatives are supported by proper documentation, including:
  - Due diligence reports;
  - Pre-engagement review and approval; and
  - Incorporation of anti-corruption and anti-bribery assurances in agreements and contracts,
- Review of payments to applicable Commercial Representatives for reasonableness in terms and for authorization; and
- Review and reconciliation of selected foreign bank accounts and any petty cash accounts and disbursements.