

# WOODECO

## CODE OF ETHICS

### BUSINESS CONDUCT GUIDELINES

*This document is a free translation of the Polish original.*

*The binding Polish original should be referred to in matters of interpretation.*



„Compliance, meaning acting in accordance with regulations, is primarily a matter of a set of values that enables us to act responsibly when faced with the many small and large decisions we all have to make every day.”

*Dorota Kostrzewska  
Chief Compliance Officer,  
Member of the Board of Woodeco*

## **COMPLIANCE WITH ETHICAL PRINCIPLES AND LEGAL REQUIREMENTS IN OUR DAILY WORK**

**Dear colleagues,**

Both the business and working world are constantly changing, and at a rapid pace. Changes such as advancing digitalization and automation, hybrid working models, fighting climate changes, and promoting sustainability not only present new challenges, but above all opportunities. Developments such as disrupted supply chains and raw material bottlenecks or the increase in regulation, on the other hand, are an extra burden in addition to the daily competition in which we naturally find ourselves in our sales markets.

In the face of these challenges, it is important that we do not lose sight of what really matters: What is often referred to as "true north" – the fixed point on our compass of values. A clear understanding of values – aligned with adherence to basic ethical principles and legal regulations – ensures that we always act responsibly in all our activities, in business as well as towards our fellow human beings and our environment.

These Business Conduct Guidelines provide the framework that helps us remain true to our values in the performance of our daily tasks. They apply to the employees of all companies in the Woodeco Group and each of us is obliged to comply with them. The appearance, actions and behavior of each and every one of us shape the image of Woodeco. That is why we behave correctly and expect the same from our suppliers, customers and business partners.

We therefore ask you to read the Business Conduct Guidelines carefully and to consult them again and again in your daily work. If you are unsure how to implement internal rules or legal regulations, please do not hesitate to contact our Legal and Compliance Department, which is always available as a competent contact.

Sincerely

***Dorota Kostrzewska  
Chief Compliance Officer,  
Member of the Board of Woodeco***

## CONTENT

### **1. BASIC BEHAVIOURAL REQUIREMENTS**

- 1.1 OUR PRINCIPLE OF COMPLIANCE
- 1.2 OUR REPUTATION
- 1.3 OUR MUTUAL RESPECT
- 1.4 OUR LEADERSHIP CULTURE

### **2. DEALING WITH HUMAN RIGHTS**

- 2.1 OUR COMMITMENT TO THE PRINCIPLES OF THE INTERNATIONAL LABOUR ORGANISATION (ILO)
- 2.2 OUR APPROACH TO FREEDOM OF ASSOCIATION
- 2.3 OUR COMMITMENT TO A FREE CHOICE OF EMPLOYMENT AND AGAINST CHILD LABOUR
- 2.4 OUR APPROACH TO DISCRIMINATION, ABUSIVE BEHAVIOUR AND HARASSMENT
- 2.5 OUR APPROACH TO FAIR REMUNERATION
- 2.6 OUR WORKING HOURS

### **3. BUSINESS PARTNERS, SUPPLIERS AND CUSTOMERS**

- 3.1 OUR COMMITMENT TO FAIR COMPETITION
- 3.2 OUR APPROACH AGAINST CORRUPTION
- 3.3 HOW WE PLACE OR ACCEPT ORDERS
- 3.4 OUR REQUIREMENTS FOR SUPPLIERS
- 3.5 OUR HANDLING OF DONATIONS
- 3.6 OUR MEASURES AGAINST MONEY LAUNDERING
- 3.7 OUR INTERNATIONAL BUSINESS

### **4. CONFLICTS OF INTEREST**

- 4.1 OUR APPROACH TO NON-COMPETITION CLAUSES AND SHAREHOLDINGS IN COMPANIES THAT COMPETE WITH US
- 4.2 OUR HANDLING OF SECONDARY EMPLOYMENT

### **5. DEALING WITH COMPANY PROPERTY**

### **6. INTERNAL INFORMATION AND AFFAIRS**

- 6.1 OUR HANDLING OF DATA PROTECTION AND DATA SECURITY

### **7. SUSTAINABILITY, CLIMATE PROTECTION AND OCCUPATIONAL SAFETY**

- 7.1 OUR USE OF RESOURCES
- 7.2 OUR CONTRIBUTION TO CLIMATE PROTECTION
- 7.3 OUR APPROACH TO OCCUPATIONAL SAFETY

### **8. COMPLAINTS AND NOTICES**

### **9. COMPLIANCE**

### **10. ZERO-TOLERANCE POLICY**

## 1. BASIC BEHAVIOURAL REQUIREMENTS

We respect law and order in all areas of our business. We know our responsibility and always observe all internal company guidelines and requirements.

We take compliance with laws, guidelines and requirements very seriously and ensure this by means of continuous controls and proper documentation. The only exception to this would be a danger to life and limb. What we expect from ourselves, we expect from our business partners as well.



### IMPORTANT:

*Misconduct has consequences! We do not tolerate violations of our own rules, nor do we tolerate violations of the law, so in addition to legal consequences, there may also be disciplinary consequences.*

### 1.1 OUR PRINCIPLE OF COMPLIANCE

We have implemented a compliance system which is built on the following three pillars: Prevent, Detect and Respond. Therefore, we train our employees in dealing with internal guidelines and relevant laws. Our internal control system continuously monitors the effectiveness of our compliance measures. Since we do not tolerate any misconduct, our employees must expect appropriate disciplinary or labor law consequences in the event of a violation.



### TIP:

*Act according to the following three principles:*

- 1. What does your gut say?*
- 2. What would your grandma say?*
- 3. Could your action lead to a newspaper headline?*

*If you are unsure about how to act, the Legal and Compliance Department is happy to help!*

*The following questions help us to better assess situations and make the right decisions:*

- Is it legal?
- Is it in line with our corporate and your personal values?
- Is it in line with our guidelines?
- Is it something you are willing to take responsibility for?

If the answer to all questions is YES, proceed as follows!

## 1.2 OUR REPUTATION

Our reputation is essentially shaped by the appearance, actions and behaviour of all of us. Unlawful or inappropriate behaviour by even one employee can already lead to considerable reputational damage.



### IMPORTANT:

*Our common aim is to maintain the good reputation that Woodeco has in society.*



### TIP:

*Act as if your own reputation is at stake! Just as managers and supervisors are responsible not only for their own actions but also for those of the members in their team, we are all responsible for Woodeco's reputation.*

## 1.3 OUR MUTUAL RESPECT

For us, mutual respect relates to the personal dignity, privacy and personal rights of every individual.

We pay attention to equal opportunities and select our employees according to their talents and abilities, free from prejudice. We do not tolerate discrimination, sexual or other personal harassment or insult. In particular, no one shall be discriminated against or harassed because of their origin, gender, sexual orientation, religion, belief, political or trade union activity, physical or mental limitations, illness, pregnancy, or age.



### IMPORTANT:

*These principles also apply in all business relationships with our suppliers and customers.*



### TIP:

*We want to be reliable partners, therefore you should only make promises you can keep.*

## 1.4 OUR LEADERSHIP CULTURE

Our managers bear responsibility for the employees entrusted to them. Our goal is to create a trusting working environment.

Our managers lead by example and ensure that their teams understand the importance of the Business Conduct Guidelines and behave accordingly.

The organizational and supervisory duties of our managers include the duty to select the right employee for a task, to instruct and supervise and communicate sufficiently.



### IMPORTANT:

*When assessing misconduct by members of management and executives, we apply stricter standards than for other employees. They are particularly required to ensure compliance with legal requirements and internal guidelines such as the Business Conduct Guidelines.*

- We carefully select employees according to their personal and professional suitability for the respective task. The duty of care increases with the importance of the tasks (duty of selection).
- We set tasks precisely, completely and bindingly, in particular with regard to compliance with legal provisions (duty of instruction).
- We ensure that compliance with statutory provisions is monitored on an ongoing basis (duty of supervision).
- We disapprove of violations of the law and point out unequivocally that, in addition to disciplinary consequences, these may also have consequences under labor, civil or even criminal law (duty of communication).



### IMPORTANT:

*Our managers are responsible for ensuring that no violations of the law occur in their respective areas of responsibility that could have been avoided through appropriate supervision. Although our managers retain responsibility when individual tasks are delegated, this does not relieve employees of their own responsibility.*

## 2. DEALING WITH HUMAN RIGHTS

We respect and support the protection of human rights, which every human being has by virtue of being human, as defined in the United Nations Universal Declaration of Human Rights.

Human rights are inherent and can neither be conferred nor denied. They protect the dignity of everyone and are equally due to all. The respect of human rights by our customers and suppliers is a core prerequisite for all our business relationships.

### 2.1 OUR COMMITMENT TO THE PRINCIPLES OF THE INTERNATIONAL LABOUR ORGANISATION (ILO)

We support the principles set out in the Declaration on Fundamental Rights at Work of the International Labour Organization (ILO). Furthermore, we support the work of the ILO in formulating and enforcing international labour and social standards and in creating decent working conditions as an essential prerequisite for combating poverty.

### 2.2 OUR APPROACH TO FREEDOM OF ASSOCIATION

We respect freedom of association and promote the right of workers to collective agreements within the limits of applicable laws. We ensure that trade union representatives are not being discriminated.

### 2.3 OUR COMMITMENT TO A FREE CHOICE OF EMPLOYMENT AND AGAINST CHILD LABOUR

We speak out against all forms of modern slavery. We ensure that forced or compulsory labour does not take place in any form at Woodeco. Furthermore, all our employees must be able to terminate their employment relationship with reasonable notice.

We also do not tolerate any form of exploitative child labour but rather support its elimination. We strictly observe the legally applicable age limits for our employees and trainees and expect the same commitment from all our business partners.

## 2.4 APPROACH TO DISCRIMINATION, ABUSIVE BEHAVIOUR AND HARASSMENT

We are committed to complying with all existing equal employment opportunity regulations in the respective countries and do not tolerate discrimination against employees.

Respect for others is the basis of our company culture. Through our behaviour, we all contribute to ensuring that the working environment is respectful and free from abuse and harassment. Any offensive behaviour, sexual or otherwise, is strictly prohibited.

## 2.5 OUR APPROACH TO FAIR REMUNERATION

The remuneration and benefits paid or provided at our company correspond at least to the legally valid and guaranteed minimum wage.

## 2.6 OUR WORKING HOURS

In order to protect employees, working hours are regulated by labor law legislation. That is why we ensure that breaks are observed and that the maximum daily working hours are not exceeded.

### 3. BUSINESS PARTNERS, SUPPLIERS AND CUSTOMERS

In all its activities, Woodeco strictly complies with legal requirements and the highest moral and ethical standards. This applies to all internal processes as well as communication and cooperation with our business partners.

#### 3.1 OUR COMMITMENT TO FAIR COMPETITION

Only fair competition should have the right to develop at liberty.

Therefore, all our employees are obliged to comply with the legal rules of antitrust law as well as other rules for fair competition.



##### IMPORTANT:

*We secure a top position in the market through our outstanding work and through the extraordinary quality and variety of our products, not through unfair agreements or illegal behaviour. In this way we also avoid serious legal consequences for our company.*

*Among other things, it is prohibited:*

- to agree on prices or quantities with competitors,
- to arrange with one or more competitors not to compete with each other,
- to divide customers, territories or product groups between one or more competitors,
- to try to influence resale prices,
- to work towards export or import bans for goods of competitors.



##### TIP:

*Our commitment to fair competition not only ensures that we always act in accordance with the law, but also strengthens the positive image of our brands among competitors and customers, as well as in society.*

## 3.2 OUR APPROACH AGAINST CORRUPTION

Any kind of corruption is incompatible with our fundamental principles. In our understanding, corruption is not limited to mere bribery – through e.g. gifts, money or other benefits – and includes further acts such as embezzlement, fraud, favoritism and the like.



### IMPORTANT:

*Employees may not accept or demand any material or personal benefits from contractors or other employees in connection with work performed for our company.*



### IMPORTANT:

*Civil servants and public officials may never receive gifts. Please note that employees in the public legal sector (e.g. employees at the State Forests or similar) are also considered public officials.*



### TIP:

*Promotional gifts must never give the employees of our business partners the feeling that they have to reciprocate in any way. If in doubt, ask your superior/manager whether the person in question may accept the gift.*

## 3.3 HOW WE PLACE OR ACCEPT ORDERS

When concluding contracts, personal interests and preferences must not play a role. This means in detail:

- Even though individual business partners may be friends, acquaintances or people whose services we personally particularly value, we adhere to the internal guidelines.
- No business partner may be unfairly favored or disadvantaged.



### IMPORTANT:

*We do not use business-related advantages for private purposes. To avoid inadmissible mixing of business and personal interests, private orders to business partners must be made transparent and need to be reported to the Legal and Compliance Department.*



### TIP:

*Please also refer to the point on **conflicts of interest**.*



### TIP:

*Gifts from or to business partners are only permitted if they are small, insignificant gifts. A modest bouquet of flowers for a birthday or company anniversary will certainly not be objected by anyone. It is important that small gifts are only given occasionally and not regularly and that they are not associated with any expectation of reciprocation.*



### TIP:

*Caution should always be exercised when invitations are extended by business partners – be it to travel, events or in the context of trade fairs. We only accept an invitation if the occasion justifies it, and the extent is appropriate.*

### 3.4 OUR REQUIREMENTS FOR SUPPLIERS

At Woodeco, we only work with suppliers who not only share our quality standards, but also our ethical values.

We oblige our suppliers with our Code of Conduct, among other things, to:

- comply with all applicable laws, including, but not limited to, laws designed to protect employees and minors,
- not be corrupt,
- abide by human rights when dealing with employees and suppliers,
- not accept child labour,
- take responsibility for the health and safety of their employees,
- comply with relevant national laws and international standards on environmental protection, and
- also implement and comply with these value principles



#### IMPORTANT:

*In the event of non-compliance, we reserve the right to impose sanctions such as fines or termination of the business relationship.*

### 3.5 OUR HANDLING OF DONATIONS

Our company receives requests for donations from a wide variety of organizations, institutions, and associations.

The following rules apply to the allocation of donations:

- As a matter of principle, no donations are made to individuals or Profit-oriented organizations.
- Payments to private accounts are not permitted.
- We do not donate to organizations if this could damage the reputation and image of our company.
- As a rule, we do not make donations for religious or political purposes.

## 3.6 OUR MEASURES AGAINST MONEY LAUNDERING

We do not have business relationships with partners whose funds may be derived from criminal activities. This includes, for example, human or drug trafficking, terrorism, or bribery.

We do not tolerate money laundering in any form, which is why it is our declared aim to maintain business relationships only with reputable business partners.



### TIP:

*Particularly when initiating new business, we pay attention to the Business environment and appearance of our business partner, as well as to unusual trading behaviour or unusual payment behaviour.*



### WAŻNE:

*Only with the attention of all our employees the avoidance of problems in this area can be achieved. We are all obliged to*

- strictly comply with money laundering legislation,*
- report suspicious behaviour by business partners, consultants or clients to superiors, and*
- transparently document all financial transactions in writing in accordance with the accounting regulations.*

## 3.7 OUR INTERNATIONAL BUSINESS

We comply with all trade and customs regulations of the countries in which we do business. Violations of import/export control and customs laws can result in severe penalties.



### IMPORTANT:

*Export controls generally apply to the transfer of goods, but also to the transfer of services or technology. They apply beyond national borders and can be applied in connection with direct or indirect exports to or imports from sanctioned countries or in connection with third parties.*



### TIP:

*All employees involved in the import and export of goods, services or technology must pay attention to*

- all relevant regulations and processes at Woodeco,*
- all applicable export control and import laws,*
- as well as all current economic sanctions provisions*

*and adhere to them.*

## 4. CONFLICTS OF INTEREST

It is important to us that our employees do not get into conflicts of interest or loyalty in their work-related activities. Therefore, we do not allow personal interests to influence our business decisions.

Conflicts of interest can hinder the success of the company by making uneconomic decisions, driving away customers or disclosing important information. Conflicts can arise, for example, if employees also work for or have a stake in another company.



### IMPORTANT:

*A conflict of interest exists whenever our personal interests and the interests of the company are not aligned.*



### TIP:

*If you find yourself in a situation where you do not want to speak openly about a matter that is related to a business partner of Woodeco and also affects you personally, a conflict of interest may exist.*

*If in doubt, contact your superior/manager or the Legal and Compliance Department.*

### 4.1 OUR APPROACH TO NON-COMPETITION CLAUSES AND HOLDING SHARES IN COMPANIES THAT COMPETE WITH US

A conflict of interest can also arise in business relationships with or through shareholdings in a competitor or customer of Woodeco. For example, care must be taken to ensure that no employee holds a direct or indirect interest in an unlisted company that competes with us in whole or in part.

This does not apply to participation in companies or the acquisition of publicly tradeable shares, provided that this is done exclusively for the purpose of capital investment on an appropriate scale.



### IMPORTANT:

*Prior written permission is required before:*

- Participations in companies that are our business partners;*
- Participations in companies to which we directly or indirectly provide capital.*

### 4.2 OUR HANDLING OF SECONDARY EMPLOYMENT

Secondary employment is generally only permitted if it neither leads to an impairment of the work performance, nor contradicts Woodeco-related duties or potentially could cause a conflict of interests.



### TIP:

*Before taking on additional paid work that may give rise to a conflict of interest, you must report this fact to your supervisor/manager or to the Compliance Department.*

## 5. DEALING WITH COMPANY PROPERTY

Our facilities and equipment in offices and workshops, e.g. telephone, copy machines, PCs including software and internet, but also tools are only used for business purposes. Exceptions and, if applicable, payment for use must be regulated locally on a case-by-case basis.

We use the internet and social media responsibly. In no case may information be accessed or passed on that incites racial hatred, glorification of violence or other criminal offences, or that has sexually offensive content.



### IMPORTANT:

*We are allowed to use internet access for private purposes as long as neither performance nor availability for work-related duties or purposes are impaired.*

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## 6. INTERNAL INFORMATION AND MATTERS

For us, open and effective cooperation includes complete and truthful reporting. This applies equally to the relationship with investors, employees, customers, business partners as well as the public and all government agencies.

All records and reports made internally or disclosed externally must be accurate and truthful. According to the principles of proper accounting, data entries and other records must always be complete, correct, timely and system compatible.

The requirement to provide truthful information also applies to expense claims.



### IMPORTANT:

*In principle, information is only published in a controlled and deliberate manner by the management. The confidentiality of any information about internal company matters that has not been publicly disclosed, such as:*

- Details affecting the organization of the company and its facilities
- Business, Manufacturing, Research and Development processes
- Internal reporting figures

*must be maintained.*

***This also applies after termination of the employment relationship.***

### 6.1 OUR HANDLING OF DATA PROTECTION AND DATA SECURITY

Our access to global electronic information exchange via the internet is a crucial prerequisite for our effective operation and overall business success.

Electronic business transactions and communication entail risks for the security of personal and company data. Against the background of constantly increasing cybercrime, it is the duty of all of us to protect our data beyond a functioning IT management.

This applies in particular to personal data, which may only be collected, processed or used to the extent necessary for specified, unambiguous and lawful purposes.



### IMPORTANT:

*In addition to a person's master data such as name, date of birth, address, telephone number and electronic contact data, personal data also includes, for example, bank data, contacts with other persons, customers' purchasing behaviour, surfing behaviour on the company website, habits and hobbies, curriculum vitae, health data, holiday periods and even the IP address.*



### IMPORTANT:

*"Processing" is a very broad, general term that includes, among other things, the collection and recording of data, storage, and transmission, as well as modification and destruction.*

*Even the mere possession of information is already considered "processing".*

## 7. SUSTAINABILITY, CLIMATE PROTECTION AND OCCUPATIONAL SAFETY

Woodeco strives to become a sustainable company and wants to play an increasingly active role in the transition towards a truly sustainable society.

### 7.1 OUR USE OF RESOURCES

We make no compromises when it comes to quality. Sustainability is also part of this quality standard. We are proud to be a naturally sustainable company.

We need to ensure that we get the maximum benefit from the raw materials we use with the minimum impact on nature and the environment. That is why we recycle wood several times and source it responsibly.



#### IMPORTANT:

*We have received acknowledged certification and rigorously test our products for compliance with applicable standards.*



#### TIP:

*Everyone can make a contribution to sustainability. That's why we also take care to use our resources economically in everyday life.*

### 7.2 OUR CONTRIBUTION TO CLIMATE PROTECTION

We operate a low-carbon production, responsible management of operational processes, sustainable cascade use of our resources and investment in new technology create the preconditions.

The aim is to rely less on fossil fuels every year.



#### IMPORTANT:

*We have already significantly reduced our CO2 emissions and are intensifying our efforts to balance and reduce all our emissions.*

### 7.3 OUR APPROACH TO OCCUPATIONAL SAFETY

Occupational safety and the health of our employees have a high priority in our corporate culture. Our goal is to prevent all occupational accidents. To this end, we carry out constructive safety work that involves all employees. Our "Near Miss System" helps us to prevent critical situations from occurring. If accidents do occur, they are analyzed in detail and improvement measures are introduced to eliminate the causes.



#### IMPORTANT:

*Every employee must pay constant attention to safety. Our safety-first culture, which focuses on prevention and sound training, means that working conditions for our employees are becoming safer and safer.*

## 8. COMPLAINTS AND NOTICES

### OUR HANDLING OF COMPLAINTS AND NOTICES

We expect our employees to speak up when something is wrong. This can be done anonymously via our web-based whistleblowing system, via the respective superior/manager or via the Legal and Compliance Department or the Management.

Every complaint is followed up. In the event of actual violations, the Compliance Department coordinates the next steps. Where appropriate, we take according consequences. We also use lessons learned to further improve our policies, processes, and controls.

Our web-based whistleblowing system is also accessible to third parties and can be used by our business partners to report possible violations.



#### IMPORTANT:

*Irrespective of sanctions prescribed by law, all employees must expect disciplinary consequences in the event of violations. Depending on the nature and severity of the misconduct, the consequences can range from informal admonishment to suspension or termination of the employment contract.*



#### TIP:

*You can find a link to the whistleblowing system on the Woodeco website under the section "Compliance" or on our intranet under the quick links.*

*Or simply scan this code:*



#### IMPORTANT:

*If a report is made in good faith no disadvantages may arise to any employee because of it. Deliberately false accusation can have serious consequences for those affected. That is why we use the whistleblowing system responsibly and only in cases of well-founded suspicion!*

## 9. COMPLIANCE

Our compliance management system includes training and communication measures, individual counselling and the management of compliance-relevant processes and controls. The scope and intensity of our compliance activities are determined by our compliance risk analysis, which is updated regularly.

The Compliance Committee meets regularly and manages and monitors compliance activities within our organization.

Through the interaction of our compliance management system, risk management and internal control system, we ensure compliance with the rules.



### IMPORTANT:

*Our Management actively promotes the broad communication of the Business Conduct Guidelines. Compliance with the law and the observance of our guidelines are part of the corporate culture in Woodeco.*

## 10. ZERO-TOLERANCE POLICY

We do not accept culpable violations of the law by our employees. Therefore, such violations may result in sanctions under labour law, up to and including termination of the employment contract. Depending on the violation, penalties or fines may also be imposed by courts and authorities.

The Compliance Committee evaluates and recommends appropriate responses to noncompliant behaviour. The decision on the consequences is made by the responsible Management.

If you have any questions, please contact the Legal and Compliance Department or our Compliance Helpdesk:

Email: [compliance@woodeco.eu](mailto:compliance@woodeco.eu)



### IMPORTANT:

*In the case of compliance violations, the following applies:*

**"Zero Tolerance"!**

*This is how we protect our company and our employees.*