

# Code of Conduct

# Preamble

Dear colleagues,  
dear business partners,

Everyone bears the responsibility of complying with the values and rules of the organisation and its employees and, consequently, of facilitating positive and pleasant cooperation. To have success in the future, it is important that our goals are respected and implemented. The basis for this is appropriate and ethically correct behaviour towards us and our business partners. This Code of Conduct is a guideline for our everyday work, describing how we imagine successful and sustainable cooperation. Because our cooperation determines our success. Everyone contributes to the achievement of these goals with his or her behaviour. Misconduct by individual persons can cause considerable damage to all of us.

A code of conduct sets out the principles for action based on fairness, integrity and partnership and requires all our managers, employees and business partners to live up to these principles. It is therefore even more important that you read this document carefully and internalise it.

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## 1 Basic Guidelines

### Our task

As Papiertechnische Stiftung (PTS), our fundamental objective is to promote research and development, transfer and service, as well as further education and training in the production of chemical pulp, wood pulp, waste paper pulp, non-woven fabric and paper, as well as their processing.

### Our vision

We are a successful, private, non-profit and independent research, transfer and service organisation in the field of fibre technology, paper production and processing, which makes the latest scientific findings available to companies in an industrial environment.

We offer our highly qualified and committed employees a modern working environment in which they can contribute to the further development of our organisation with creativity and responsibility in their field of work. By means of interdisciplinary cooperation and the inclusion of the latest technologies, we are able to be the most innovative contact for our customers.

### Our mission

We reflect social developments and technological trends, derive challenges from them and create sustainable solutions for our partners. We use the most innovative processes in fibre, paper and wetlaid technology for functionalisation and processing as an open – and digital – platform, to make a substantial contribution to a sustainable bio-based recycling economy with modern fibre-based solutions.

### Our values

#### Trustworthiness

As a research, transfer and service organisation, trustworthiness is our top priority. The fundamental confidentiality of all data agreed confidentiality and the reliability of our statements are a matter of course for us.

#### Accountability

Every single employee is aware of their responsibility regarding tasks and is prepared to take on this responsibility proactively. This applies in particular to their own work safety, their tasks and their further development. We have a responsibility both to the company and to the customers who place their trust in us.

#### Innovation

In our research areas, we want to promote innovation and serve as a driver of innovation for our customers. Continuous improvement is part of our self-image.

#### Consequence

We remain true to our principles and strive to implement projects and goals successfully. Statements made by PTS are binding and reliable.

#### Neutrality

We are technically competent and independent. The quality of our orders is not influenced by personal relationships, money or company names.

## 2 Compliance with laws

Compliance with applicable laws is self-evident for us. It takes precedence over economic interests.

## 3 Health and safety at work

In addition to achieving our economic goals, health and safety play a major role. Regular participation in training and instruction, as well as compliance with the Occupational Health and Safety Act and other guidelines (e.g. good laboratory practice), ensures that we do not endanger our own health or the health of our colleagues or business partners. We independently ensure that our workplace allows us to work safely, and we also point out potential dangers to others.

We put a great emphasis on compliance with labour laws. We make sure that breaks are observed, avoid overtime and keep mutual disturbances to a minimum. In the laboratories, we adhere to the necessary protective regulations and handle hazardous substances professionally and responsibly. Our aim is to work in a healthy manner without injury or accident.

## 4 Fair competition

Fair competition is essential for our free market economy. We therefore conduct all our business fairly and in accordance with the relevant competition law requirements. Under no circumstances will we engage in collusive or unlawful anti-competitive activities involving trade secrets, strategic information, intended market behaviour, prices, market share setting, investments, closures, agreements on supply restrictions, or other similar information.

Particularly in the case of project-related committees and advanced training events, we ensure that these are not used as a platform for arrangements and agreements that restrict fair competition in an inadmissible manner. Our project managers, as well as all other participants, see themselves as responsible for this and will report any violations.

## 5 Quality assurance

The proper fulfilment of customer requirements is the most important benchmark in the provision of our services. Our quality management system (QMS) supports us in realising our high quality and performance standards. In order to make our work processes clear and comprehensible, we conscientiously and consistently implement the requirements laid down in the valid documents such as process and work instructions.

We want not only to meet the current requirements, but also to improve continuously. Our high professional qualifications, as well as our ability to admit mistakes and to communicate openly, contribute significantly to our development. Regular checks, internal audits and training courses help us to identify and optimise possible weak points.

## 6 Environmental protection and sustainability

Our research is focused primarily on renewable raw materials. Their sustainable use takes priority in our research results. We pay attention to the careful selection of suppliers and service providers in the procurement process, taking into account high standards of environmental protection, sustainability, data security and corporate social responsibility.

We have the expertise and the relevant prerequisites to evaluate processes and materials in terms of their environmental impact and with regard to their integration into a recycling economy, combined at PTS.

## 7 Financial responsibility

We comply with all the laws and regulations of proper accounting. We organise our work in such a way that all business transactions can be recorded in the accounts punctually, completely and truthfully.

When applying for and using public subsidies, we guarantee the accuracy of our information. We use received funds responsibly for the intended purpose.

## 8 Prevention of money laundering and corruption

Money laundering and corruption are a threat to our society. They are therefore not tolerated in any form by PTS. Under no circumstances do we allow our decision-making to be influenced by the granting of unlawful advantages. We carry out fundraising campaigns solely in the interests of the organisation, with the aim of developing PTS's commitment to society.

We are aware of the importance of receiving and providing hospitality or gifts in maintaining our business relationships. In order to avoid

possible conflicts of interest or influence on our impartiality, all parties involved are required to exercise special care in weighing and judging the potential influence.

## 9 Dealing with conflicts of interest

As an independent research institute, it is essential for us to avoid and prevent conflicts of interest. A conflict of interest occurs when personal interests overlap or may overlap with the business interests of PTS or the business interests of customers in a decision-making situation in everyday business. Examples of this include the awarding of contracts to a friend's company, an application by a relative of a person who has an influence on the selection process, or secondary employment of an employee in a competing organisation. We are able to identify conflicts of interest by always questioning, when there is a decision to be made, whether the course of action will give us, our family or friends advantages to the detriment of PTS. A prerequisite for this is the transparent and full disclosure of a potential conflict, which all PTS staff are strongly urged to do.

## 10 Protection & handling of the organisation's property and handling of third-party property

Tangible and intangible property made available by PTS or business partners serves as the basis of our daily work. Therefore, the proper and responsible handling of both the organisation's and third-party property is important to us. Each and every one of us considers ourselves responsible for protecting these assets from loss, theft, waste or misuse. In general, we handle all valuables entrusted to us carefully, gently and appropriately.

Business trips are planned, approved and carried out by us in an economical manner appropriate to the purpose of the trip.

## 11 Protection of intellectual property

We respect intellectual property rights. We do not pass on copyrighted works or publications, such as protected scientific work published in magazines and journals, to third parties. Presentations made by PTS during public conferences and association meetings shall also be considered protected by copyright unless they have been released by PTS beforehand.

## 12 New media

PTS sees itself as a modern, technology-focussed and future-oriented company. We support our employees in using new media or new technical achievements and to integrate them into their daily work. Managers and employees ensure that this use complies with all legal regulations.

## 13 Data security

All data, regardless of whether or not it falls under special protection rights, is subject to the principles of data security, in particular, confidentiality, integrity and availability. This means that the data is accessible only to authorised persons (confidentiality), its accuracy is guaranteed (integrity), and working with the data is always possible for authorised persons (availability).

## 14 Data protection

For us at PTS, data protection is of great importance. The processing of personal data, which includes every procedure in connection with this data, e.g. its collection, storage, modification, retrieval, transmission or destruction, is subject to strict data protection regulations. Personal data is any information relating to an identified or identifiable natural person. In cooperation with our data protection officer, we comply with the regulations of the General Data Protection Regulation and the Federal Data Protection Act. We assure, in particular, that we collect or process personal data only if it is absolutely necessary and permitted by a legal basis or if we have the express consent of the persons concerned.

## 15 Confidentiality & secrecy

Knowledge is one of our most important resources. Our research, in particular, provides us with new and significant findings. In order to justify the trust placed in us by our clients in

the long term, discretion regarding non-public projects is a top priority for us. We adhere to the legal regulations for the protection of business secrets (GeschGehG). Trade secrets and other sensitive data, such as company knowledge, business plans, customer data and databases, regardless of whether they have been identified as such, are treated by us with the utmost care and discretion. We will not modify, disclose or edit any confidential information without consent.

### 16 Social responsibility

As a modern, family-friendly and caring employer, we place particular emphasis on the well-being of our employees and take social responsibility for our corporate activities very seriously. For us, acting in an economically responsible manner means promoting a culture of equal opportunities, characterised by openness and mutual appreciation.

We do not tolerate discrimination, racism or bullying. We maintain respectful and friendly relationships with each other regardless of appearance, wealth, origin, world view, political views, disability, age, religious affiliation or gender.

By working closely with our works council, we create an atmosphere of mutual trust and cooperation for all employees. We promote the right of all employees to contribute to the improvement of the working atmosphere and productivity through suggestions.

We speak out clearly against child and forced labour and for the observance and protection of human rights and fair working conditions. We respect the land rights of communities, including indigenous peoples, and uphold international law.

### 17 Appearance in public

Through our daily work and our behaviour, we automatically contribute to the public perception of PTS. We respect the right to freedom of expression and the protection of personal rights and privacy, but we are aware that we are also perceived as representatives of PTS in the private sphere. We take care not to say or do anything that could taint the good reputation of PTS.

### 18 Good scientific practice

In order to make a professional contribution to science through our research, we have very high standards for ensuring good scientific practice. Thus, we are self-critical of the scientific quality of our work and open to doubts and criticism from others. We always document our results in a comprehensible way, store primary data properly, and always reference literature and sources appropriately.

### 19 Legal consequences

Violations of the Code of Conduct are a danger to our successful cooperation and therefore cannot be tolerated by us. Every employee is required to report violations. Reports will be treated confidentially in every case. In the

event of non-compliance, employees must expect to be subject to disciplinary measures according to labour law, which, in the case of serious violations, can extend to dismissal. Similarly, violations by business partners may lead to termination of cooperation. We reserve

the right to conduct audits in case of doubt. We also draw attention to the criminal liability of corruption, competition agreements, money laundering and other violations of applicable law.

Heidenau, 18.12.2019

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*Clemens Zotlöterer*  
*Management Board*

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*Gert Meinel*  
*Chairman of the Works Council*