

# CODE OF CONDUCT

GUIDELINES

Precious Woods cares for its workers. It cares for the communities living in and around our forests and we work with high responsibility to preserve our forests. Improper activities could harm the Group's integrity and result in damage for the Group as well as its employees.

The headquarters has developed these guidelines, which apply to all employees.

## THE GROUP

1. The Group is strongly committed to work with honesty and integrity, fully following all applicable laws.
2. There is no discrimination or harassment against an employee or an applicant for race, color, religion, sex, age, disability or national origin. This prohibition includes any form of sexual harassment and is valid for all employees at all levels at any time.
3. The Group implements highest standards for health and safety. Precious Woods follows all state and local laws and regulations.
4. The Group sticks to the rules of the Forest Stewardship Council (FSC®) and the Project for the Endorsement of Forest Certification (PEFC™) for a sustainable forest management and applies all laws and regulations on environment.
5. Precious Woods has good relationship with local communities, trade unions, and local and international NGOs. The Group promotes rural development and local communities and employs, if possible, persons from the communities.
6. Precious Woods does not pursue forestry activities in forest areas where indigenous people demonstrably follow their own culturally distinct and original way of life, and always follows the rules of Free, Prior and Informed Consent with all communities.

There shall not be retaliation or harassment of employees who report violations or other concerns. Anyone who engages in retaliation will be subject to serious disciplinary action, including possible termination of contract.

Precious Woods Group

co-CEO  
Fabian Leu

co-CEO  
Markus Pfannkuch



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## THE EMPLOYEE

1. No employee of the Company is authorized to commit any illegal or unethical act, or to incite others to do so.
2. No employee may have a personal, business or financial interest that is incompatible with the loyalty and responsibility owed to the Company (“conflict of interest”).
3. An employee or members of his/her family shall not accept compensation, loans, entertainment, commissions, property or anything else of personal financial or other advantage, without making full disclosure to the Company. This policy does not apply to personal loans from a recognized lending institution.
4. No funds or assets of the Company shall be used to aid any candidate or nominee for national, state or local political office or to aid any political parties or committees.
5. Employees of Precious Woods may not give anything of value, directly or indirectly, to someone holding a public office in order to obtain or retain business. Instances of bribery must be reported to the unit’s Ethical Official.
6. Protecting company assets against loss, theft and misuse is the responsibility of every employee. Any suspected theft, fraud or inappropriate use of Company assets must be reported to an employee’s supervisor or the unit’s Ethics Official.
7. Employees will make every reasonable effort to ensure that the Company’s products and places of business are safe for its employees and the public. Employees shall follow Company policies and directives relating to matters of health and safety.
8. Every employee should act according to the environmental objectives of the Company. In particular no employee should knowingly do harm to the environment in a way that can be avoided.
9. Employees will make every reasonable effort to entertain good relationship with the communities in and around our forest operations.

**Through the sustainable management of natural forests in the tropics and the marketing of the resulting products, Precious Woods wants to contribute towards the permanent preservation of tropical forests.**



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