



# Paptic Code of Conduct

March 2024

## Purpose and scope

At Paptic, environmental sustainability and treating everyone fairly and with respect are the foundation of our business. We believe that acting according to the highest ethical standards in everything we do is first and foremost our moral obligation. It is also a key prerequisite for Paptic's success as a company, as an employer, and as a business partner, and thereby also for the positive impact we aspire towards through sustainable packaging; replacing fossil-based plastics in packaging with a sustainable, recyclable, and circular alternative.

This Code of Conduct describes the standards of ethical behaviour expected from Paptic's employees, members of the management, and the Board of Directors, regardless of seniority, function, or location. Each of us is expected to ensure that we understand how the Code of Conduct applies to us in our respective roles and comply with it in all that we do as Paptic's representatives.

The principles set out in this Code of Conduct draw on international standards and principles, including the International Bill of Human Rights, the fundamental Conventions of the International Labour Organisation (ILO), the OECD Guidelines for Multinational Enterprises, and the Ten Principles of the UN Global Compact, and it is rooted in Paptic's values:

- **We are guided and obliged by awareness:** Awareness forms the basis for the development of new solutions. It is also appreciated by our customers. We produce sustainable packaging materials and build sustainable growth using our knowledge and competence. Along the way, we learn how to do things better, and we improve our practices and choices accordingly. Our awareness and expertise at Paptic build a road towards a more sustainable everyday life.
- **We are building a better tomorrow:** Our operations have a positive impact and that is why they matter. Sustainable packaging is needed now and in the future. We strive for growth to enable maintaining a viable planet. We are proud of the solutions we develop as they reduce the burden on the environment. At Paptic, we are changing the world through our actions.
- **We trust and appreciate others:** We are each different in our own unique way. It makes us – as colleagues, clients, and partners – human. At Paptic, we want to be a trustworthy company. We value and foster a tolerant, and respectful atmosphere. It is also important that everyone can be themselves while at work. While we recognise that achieving the goals we have set for ourselves is not easy, we believe they can be reached through courage, innovative ideas, and the continuous improvement of our operations. Our open and supportive team helps make this possible.
- **We work together:** We have set our goals high. We know that we can only achieve them by working together and by utilising everyone's expertise. In our daily work, there are many issues we cannot completely solve. Together we can find solutions to even the most demanding challenges, and we already know that, at Paptic, we are building something new. We also enjoy and celebrate our successes together.

It is worth noting that the Code of Conduct is not intended as an exhaustive list of all standards that guide our operations. Rather, its purpose is to clarify the most relevant ethical principles that we are expected to adhere to in our daily work. If we have any doubts about what behaviour is appropriate, we seek guidance from our peers and supervisors.

The minimum standards, principles, and processes that we expect our suppliers to comply with are laid out in a separate Paptic Supplier Code of Conduct.

## **Our principles**

### **We comply with national and international laws and regulations**

We are familiar with and follow the policies, international and national laws, rules, and regulations that apply to our work. If applicable national laws fall short of the requirements of this Code, we comply with the principles of this Code.

### **We respect human rights and fair labour practices**

We adhere to internationally recognised human and labour rights and standards. All employees are provided equal opportunities, fair compensation, freedom of association, and the right to bargain collectively. We do not allow forced or child labour, the latter meaning employing a person who is under the age of 15, under the legal minimum age for employment, or under the age for completing compulsory education.

### **We treat everyone fairly and do not tolerate discrimination**

We treat everyone with respect and dignity. We want to create a working environment where everyone feels valued, comfortable expressing their ideas, and where they can professionally be themselves. We do not tolerate any kind of bullying, discrimination, or physical, verbal, sexual or psychological harassment. This includes derogatory comments based on gender, age, national or ethnic origin, sexual orientation, marital status, pregnancy, disability, religious or political beliefs, trade union activity or any other characteristic.

### **We ensure a safe and healthy workplace for all**

While Paptic as an employer is responsible for providing a safe working environment for everyone, workplace safety requires us all to take our responsibility for safe work seriously. We comply with all applicable occupational health and safety laws as well as our safety instructions. We take care of each other and actively work to minimise any risks to ourselves, our suppliers, and other stakeholders, including by raising any safety concerns that we observe.

### **We care for the environment**

We make sure all Paptic materials are made of renewable wood-based fibres originating from sustainably managed forests. The responsible sourcing of all our raw materials is a top priority for us.

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We are committed to using these renewable, bio-based raw materials in a way that respects natural and ecological boundaries so as to safeguard biodiversity. We place environmental considerations at the heart of manufacturing, prioritising low-carbon production, the efficient use of energy, efficient and closed water cycles, as well as minimising and properly managing emissions. We also strive to continuously improve resource efficiency in the development of Paptic materials: We deliver the required packaging properties with as efficient use of raw material as possible while ensuring that Paptic materials are fully recyclable. This enables fibres used for making Paptic materials to be reused multiple times, in line with circular economy principles.

## **We develop safe, high-quality products**

Ensuring the safety and quality of our products is important to us. We adhere to all applicable legislation to guarantee that our products are safe for their intended purposes. We report any non-conformities we observe.

## **We have zero tolerance for corruption**

We have zero tolerance for all forms of corruption and bribery. We do not offer, promise, give or accept any gifts, hospitality or other benefits that are above nominal value or could be seen as intended to influence a business decision.

## **We know our business partners**

We are committed to fully complying with applicable trade sanctions as well as anti-money laundering and terrorist financing laws. We do not engage in transactions with parties that are subject to sanctions. In our relationships with governments, suppliers, and other business partners, we do our utmost to avoid complicity in human rights abuses. We take care not to facilitate money laundering or the financing of terrorist or criminal activities, including by conducting due diligence on our business partners. We carry out all our financial activities transparently, and report them clearly and accurately. We do not work with companies that derive a substantial part of their profits or turnover from activities that are harmful to society or the environment.

## **We compete fairly**

We compete fairly. Our competitive advantage comes from high-quality products and operating with integrity. We therefore refuse to enter into any unethical discussions or agreements with competitors on fixing prices, dividing markets, or any other arrangements that could distort competition.

## **We avoid conflicts of interest**

When making decisions related to our work, we always seek to act in the best interest of Paptic and its stakeholders. We refrain from actions or making decisions in situations where our private interests, personal relationships or any other activities interfere, or could be perceived to interfere, with Paptic's interests. We disclose any potential conflict of interest to management, recognising that even the appearance of conflict of interest could undermine stakeholders' trust in Paptic.

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## **We protect intellectual property and assets and respect data privacy**

We safeguard our and our partners' confidential information and respect the intellectual property rights of other companies. We do not disclose any sensitive information about Paptic, its products, customers, suppliers, or employees, including inventions and patents, without a valid business purpose and proper authorisation. We use Paptic's assets responsibly and only for work purposes.

## **We communicate with integrity**

Our engagement with customers, suppliers, investors, and the broader public is based on openness, honesty, and our expertise in developing sustainable packaging solutions. We provide our stakeholders with transparent, fact-based information on our financial and sustainability performance. We base our marketing claims on scientifically verified data where available.

## **Reporting concerns**

Paptic works to ensure compliance with this Code of Conduct by training employees, providing concrete guidance for specific situations, and by developing risk management processes. Supervisors are expected to ensure that employees understand their obligations according to this Code of Conduct. Employees are encouraged to seek advice from their supervisor, the Human Resources Department or the Management Team if in doubt about the appropriate course of action in a specific situation.

Employees are responsible for reporting any suspected breaches of this Code of Conduct or other misconduct. The primary contact in such cases is the supervisor, but reports can also be made to the Human Resources Department or to the Management Team. Understanding that some may prefer to raise a concern anonymously, a report can also be submitted via Paptic's whistleblowing channel, which can be accessed on Paptic's website: <https://paptic.com/company/report-a-concern/>. All reports are handled with strict confidentiality. Paptic does not tolerate any form of retaliation against individuals who raise concerns or assist in investigations of suspected breaches.

Violations of this Code of Conduct and Paptic's policies may result in disciplinary action, including termination of employment of the person who is in breach of the Code.

In Espoo, Finland  
27 March 2024



Tuomas Mustonen, CEO

### **Paptic Code of Conduct governance**

Paptic's policies are revised every other year, or more frequently as needed. Our policies are approved by the Board of Directors and signed by company CEO.

<b>Responsibility</b>	<b>Responsible position</b>
Policy owner	Chief Executive Officer
Policy author	Sustainability in collaboration with Human Resources and Compliance
Policy review	Management Team
Policy approval	Board of Directors; the Policy signed by CEO
Implementation of the policy	The Policy Owner is responsible for general company-level implementation