

CODE OF CONDUCT

Code of Conduct of the **Mayr-Melnhof Holz Group**¹ ("Mayr-Melnhof Holz")



Photo credit: Kanizaj

Entrepreneurial, responsible & sustainable.

Only those with strong roots can grow, and flourish. The roots of Mayr-Melnhof Holz date back to 1872.

¹ For the companies and locations of the Mayr-Melnhof Holz Group, go to:
<https://www.mm-holz.com/en/about-us/locations>

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Introduction

This Code of Conduct describes the principles that guide our actions in terms of sustainable corporate management. We believe that environmental protection, social responsibility and compliance with legal regulations are the basis of our corporate responsibility. To meet these requirements as far as possible, we place high standards on our employees, suppliers and on our business and contractual partners (hereinafter referred to collectively as our "Partners") and expect them to comply with the principles set out below in this Code of Conduct. Where appropriate, these principles are supplemented and substantiated by corresponding policies and communicated via training.

At Mayr-Melnhof Holz, we promote a socially and environmentally compatible forestry and timber industry and stand for the proper and careful use of wood as a valuable resource. Sustainability is at the heart of our value chain – from the raw material to the finished product, guaranteeing our customers natural wood products.

The Management Board of Mayr-Melnhof Holz Holding AG

January 2025

Basic principles

The framework for our conduct at Mayr-Melnhof Holz and for the expectations we have for our Partners is defined by international, European and national requirements, including in particular:

- The International Bill of Human Rights
- The Charter of Fundamental Rights of the European Union
- The standards and conventions of the International Labour Organization (ILO), such as the Declaration on Fundamental Principles and Rights at Work and the Core Labour Standards (CLS)
- The UN Guiding Principles on Business and Human Rights (UNGP)
- The OECD Guidelines for Multinational Enterprises
- The 17 global Sustainable Development Goals (SDGs) of the United Nations (UN Sustainable Development Goals) and the 10 principles of the UN Global Compact
- The due diligence requirements of the EU Deforestation Regulation (EUDR)
- The International Covenant on Civil and Political Rights of the United Nations
- The International Covenant on Economic, Social and Cultural Rights of the United Nations

The Code of Conduct follows the ESG structure and is therefore divided into the following sections: Environmental Standards (E), Social Standards (S) and Governance Standards (G).

Environmental Standards

Protection of the climate and environment

Mayr-Melnhof Holz follows the principles of ecological sustainability in all areas of its business activities. We comply with all applicable laws and regulations for the protection of the natural environment. We identify and assess the potential negative environmental impacts of our business activities, with the aim of continuously reducing such impacts. Raising our Partners' awareness of issues relating to protection of the climate and environment is important to us. By expanding and efficiently using renewable sources of energy to generate electricity and heat, we make a direct contribution to protecting the climate.

Use of resources and the circular economy

We take measures to reduce the use of energy and resources and to increase energy efficiency in our business activities and processes. Wood is a valuable raw material, which is why we use the entire log. Producing sawn timber at sawmills is a "joint production" process. The sawn timber that is produced is delivered fresh, dry, unplanned or planned for producing engineered timber products at our own processing plants or it is delivered to external customers. The sawdust and wood shavings that are created as a by-product are mainly processed into pellets. The chips are used by the regional pulp and paper industry. Even accruing bark is an important raw material. The biomass heating plants at our sawmill sites convert it into renewable heat and, in some cases, also into green power. We use the heat to dry our sawn timber, heat our own buildings as well as those of some neighbours', and supply local heating networks—actively contributing to climate protection.

Our timber construction products are durable and make the sustainable cascading use of wood possible in several stages across all phases of the life cycle, thereby contributing to a resource-efficient circular economy.

Our waste management system follows the waste hierarchy of "reduce, reuse, recycle, recover and dispose" and ensures that all waste is disposed properly.

Biodiversity and ecosystems

The principle of sustainability to which European forestry has been committed for around 300 years means ensuring today that sufficient resources will be available in the future. Global environmental challenges, such as climate change, loss of biodiversity, pollution and waste can make negative impact on the environment even worse. At Mayr-Melnhof Holz, we therefore source wood as a valuable raw material from sustainably managed forests that are PEFC-certified or meet comparable standards that are recognised by the PEFC. We believe, that is part of our corporate responsibility now and for future generations.

We firmly reject all forms of deforestation and forest degradation, as defined by the EUDR. Our due diligence processes and internal checks ensure that our supply and production chain (the "chain of custody") complies with the relevant legislation, in particular forestry-related regulations, to minimise the risk of non-compliance.

Social Standards

Labour practices and the prohibition of discrimination

Mayr-Melnhof Holz rejects all forms of discrimination and works with all people – regardless of gender, age, physical or mental disability, religion, faith, culture, skin colour, education, social background, social status, sexual orientation or nationality. We take a firm stand against harassment, bullying and all forms of discrimination.

Our commitment to decent work, social protection and social dialogue is based on the general standards and the Core Labour Standards of the International Labour Organization (ILO).

We expect our Partners to comply with the following principles:

- employees and job applicants must not suffer discrimination on the basis of gender, age, physical or mental disability, religion, culture, skin colour, education, social background, social status, sexual orientation or nationality, either during selection procedures or in daily work;
- the employer provides appropriate and safe working conditions, treats all its employees fairly and with respect and offers everyone the same opportunities;
- we respect the statutory rights to form associations or representative bodies (e.g. trade unions) and the right to collective bargaining;
- wages and other forms of remuneration are paid in accordance with the right to a living wage and with national laws;
- working, rest and recovery times in accordance with applicable law are observed.

Occupational health and safety

The health and safety of our employees is a top priority at Mayr-Melnhof Holz. The top priority in our day-to-day work is to prevent accidents at work and any occupational illnesses, as it is only healthy and motivated employees who will guarantee the long-term success of our company.

We strive to rule out the risk of serious injury in everything we do. Working with our employees, and based on our experience, we therefore aim to create working conditions, provide work equipment and define work processes in a way that ensures the health and well-being of our employees. We prevent work-related illnesses and injuries with the aid of preventive measures by identifying and assessing hazards at work via assessments, as well as by defining, providing instruction for and implementing these preventive measures. We make sure that sources of danger are eliminated, that technical and organisational safety precautions are introduced and that personal protective equipment is used. We promote hazard and safety awareness with Group-wide training and with targeted communication.

We also expect our Partners to guarantee health and safety in the workplace. This includes complying with the applicable national regulations that govern occupational health and safety.

Human rights

Mayr-Melnhof Holz is committed to complying with international standards of human rights and expects the same of all its Partners. We avoid negative impact on human rights in the course of our business and do not enter into business relationships with Partners if there is reasonable suspicion of any involvement in human

rights violations. We follow a strict policy of rejecting the employment of children under the age of 15 or who have not yet reached the minimum age at which compulsory education ends.

Similarly, we do not tolerate any forms of forced or compulsory labour, modern slavery or human trafficking, including prison labour, forced labour or debt bondage. We believe that employees should not be forced to work via any form of violence or intimidation, in particular not as a means of political coercion or in retaliation for expressing political opinions.

Human rights due diligence

Mayr-Melnhof Holz actively investigates suspicions of human rights violations to prevent negative consequences.

Through our human rights due diligence in our business activities, we undertake to uphold the highest standards of respect for human rights in everything we do as a business.

Rights of local communities

Mayr-Melnhof Holz recognises and values the importance of the culture, heritage and traditional rights of indigenous peoples.

Within our own sphere of influence and that of our Partners, we make sure that the economic, social and cultural rights of local communities and, in particular, the rights of indigenous peoples are respected. This includes respect for rights of use and for settlement areas. We do not support any action that goes against the protection of indigenous cultural heritage.

Conflict minerals

The extraction of certain minerals, such as cobalt, copper, tin, tungsten, tantalum and gold, contributes to significant human rights violations and to financing violent conflicts in some regions of the world. We also expect our Partners to comply with the Conflict Minerals Regulation (EU) 2017/821 and to apply appropriate due diligence to avoid using critical minerals from conflict and high-risk areas in products.

Governance Standards

For us, the following principles of Good Governance are the foundation for a sustainable corporate management in order to implement the Mayr-Melnhof Holz corporate strategy. We regularly assess the impacts, risks and opportunities of our business model, taking into account the dynamically changing general conditions in terms of the political, economic, social, technological and regulatory factors in our core markets. We expect our Partners to keep up-to-date with these developments and to actively address any identifiable risks to the work we do together.

Compliance with the law

We comply with all relevant laws, rules and regulations in the countries where we do business. This includes both national and international legal requirements that apply to our business.

A key part of this commitment is compliance with trade sanctions and embargoes. We implement comprehensive processes to ensure that we comply with sanctions. These processes are designed to

minimise risks and to ensure compliance with all relevant regulations, both internally and when working with external Partners.

We expect our Partners to meet these standards for compliance with the law.

Anti-corruption

Mayr-Melnhof Holz pursues a strict zero-tolerance policy regarding bribery and corruption. The requirements that apply to our employees are defined in an "Anti-Corruption and Hospitality Policy".

We therefore expect our Partners to comply with the following rules of conduct in particular:

- to refrain from and not to tolerate corruption, bribery and all other forms of white-collar crime (in particular embezzlement, fraud);
- to refrain from offering, promising or granting unlawful benefits;
- to accept or offer gifts, invitations and favours only to an appropriate extent;
- to disclose conflicts of interest.

Fair competition

Mayr-Melnhof Holz is committed to the rules of fair competition. This includes in particular:

- refraining from unfair business practices;
- complying with antitrust regulations.

Information security and data protection

We have high standards for information security and data protection, which is why awareness of these issues among our employees and Partners is particularly important. We raise awareness and a sense of responsibility for cybersecurity by providing our employees with regular training. We ensure compliance with the statutory and contractual requirements for information security and data protection (in particular with Regulation (EU) 2016/679 (General Data Protection Regulation (GDPR))) in accordance with the state of the art. Data – in particular personal data – is processed in accordance with legal and contractual requirements and its confidentiality, availability and integrity are guaranteed via technical and organisational measures. You can find our Privacy Policy at www.mm-holz.com.

Due diligence requirements in the supply chain

Mayr-Melnhof Holz expects all its Partners to comply with the following due diligence requirements:

- it must be ensured that the principles set out in this Code of Conduct are applied within the company and by the company's Partners;
- any violations or suspected violations relating to the business relationship with Mayr-Melnhof Holz must be reported to Mayr-Melnhof Holz unprompted and within a reasonable period of time and all measures must be taken to ensure compliance with this Code of Conduct.

Violations of this Code of Conduct that have not been resolved within a reasonable period of time shall entitle Mayr-Melnhof Holz to terminate the contractual relationship for cause.

Additional provisions in accordance with the EU Deforestation Regulation (EUDR)

Each Partner guarantees (if applicable) that the relevant deliveries do not violate Article 3 of Regulation (EU) 2023/1115 (the EU Deforestation Regulation) as amended from time to time. In particular, each Partner guarantees that the relevant deliveries have been produced "deforestation-free" within the meaning of the EU Deforestation Regulation and in accordance with the relevant legislation of the country of production. Such legislation includes, in particular, the laws that apply in the country of production in terms of:

- a) land use rights;
- b) environmental protection;
- c) forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting;
- d) third parties' rights;
- e) labour rights;
- f) human rights protected under international law;
- g) the principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples;
- h) tax, anti-corruption, trade and customs regulations.

Complaints mechanism and whistleblower system

Employees and Partners can report violations of this Code of Conduct and human rights as well as reasonable suspicion by email to the Mayr-Melnhof Holz legal department (legal@mm-holz.com) or via our whistleblower system.

It is also possible to report anonymously (in writing or by phone), using our whistleblower system.

To access the whistleblower system, go to:

<https://app.whistle-report.com/report/dd49b5c5-f270-4ce6-9a3c-32c14e46d1f1>



Where applicable, the current provisions of the EU Whistleblower Directive and the national implementing legislation also apply.

For questions

If you have any questions about this Code of Conduct, please contact Sustainability Management at Mayr-Melnhof Holz (esg@mm-holz.com).

Change history

Date	Version	Change	Editor
2025-01-14	1.0	First version	M. Bachler, S. Hiebler-Liebminger M. Urban-Hübler