

PAW – Code of Conduct



From left to right: Management: Marc Pommerening, Rainer Schneider, Viola Lemke

We, the PAW GmbH & Co. KG, are a worldwide operating company and belong in our relevant sub-segment to one of the innovation leaders. For over 50 years, we have been developing, producing and promoting high-quality and long-lasting products in the fields heating technology, solar thermal systems and domestic hot water technology, as well as flat stations. We are successfully operating in more than 30 countries and we communicate daily with employees, customers, suppliers and business partners.

Over the years, we have been continuously developing. At the same time, we set a high value on consistency. We apply the proven concept to reach the relevant customer structures with high quality and also innovative products. The success of the company is the result of many factors.

The experience, the know-how, the courage to implement new ideas; as well as the commitment and the passion of the management and of the employees are definitely decisive factors for success.

The framework for all our actions is built by the common moral concepts and ethical principles which shape our company philosophy and which we see as a guiding principle for dealing with each other. The moral concepts have already been implemented and are now recorded in written form. In the course of the company growth it has gained more and more importance to provide a written guideline for new employees and business partners and to communicate our company's mission.

The moral concepts of this guideline are transferred on all hierarchy levels. Also, new employees are explicitly informed about them at the start of their employment. Beyond that, a strict compliance with the valid legal and administrative provisions is indispensable.

This Code of Conduct concretises our values from which derive our principles for our behaviour.

The guidelines and the implementation of our ethical principles serve this one purpose: Our objective is, by applying these moral concepts, to assure the confidence of employees, customers and business partners, to strengthen the reputation of the company and to create a strong basis for the economic success of the company.

The following values are the centre of our behaviour:

Integrity

Trust and mutual respect

Fairness

Courage, passion and enthusiasm for technology

Integrity:

We are sincere and honest. We respect the laws and act according to ethical principles. We assume responsibility and we meet our obligations.

Trust, mutual respect:

We treat each other respectfully and decently. We create a base of trust at any time and stay predictable and reliable.

Fairness:

We associate fairly with one another, both internally as well as with business partners, service providers etc. Agreements and contracts are kept, and we do not speak negatively about competitors. "Live and let live" applies particularly in direct contact with suppliers. This principle is also implemented towards customers in a responsible way.

Courage, passion and enthusiasm

We go new ways and enter even unfamiliar territory as far as it serves the company purpose. We are motivated, fulfil our tasks with enthusiasm and passion and share our motivation with our customers and business partners.

Generally, many basic rules for employees can be established, however, they cannot replace common sense in combination with responsible action, and they cannot cover all questions and challenges. In case of uncertainties, employees should contact their immediate superior, the plant management or the company management.

Basic principles:

Human dignity / human rights:

Human dignity is inviolable. Beyond that, international human rights are respected and protected. Forced labour, slavery as well as comparable forms of deprivations of liberty and constraints are categorically rejected. This applies in equal measure for child labour as well as for the exploitation of adolescents.

Equal opportunity and mutual respect

PAW is committed to equal opportunity and mutual respect.

Discrimination, sexual or other personal harassment as well as insults are not tolerated. Each employee has the right to personal dignity; the privacy and the personal rights of each individual must be respected. Nobody is discriminated against on account of his or her gender, age, a disability, his or her nationality, skin colour, religion, ideology or sexual orientation.

We expect from all employees to respect in their work environment the dignity, the privacy and the personal rights of each individual.

Law-abiding conduct:

PAW takes the observance of law and justice for granted. Each employee must observe the legal regulations that are relevant for his or her activity. This applies for each legal order in which framework he or she operates.

We expect also from our business partners that they observe all valid regulations when they cooperate with us.

Fair competition:

PAW is committed to open markets and to fair competition. Impermissible restrictions of the free competition, regardless in which country, are not tolerated in any way.

This implies in particular:

- Arrangements between competitors, e.g. for the fixing or the increase of prices, restrictions of the competition in bidding processes, deception of customers etc. The simple information exchange between competitors, particularly prior to the submission of bids in the context of a bidding process, can be assessed as impermissible if it aims or results in a restriction of competition, distortion of competition or unfair competition.
- We respect the right of our competitors to protect their information. PAW will not use any information on competitors that are obtained by the breach of contractual obligations by employees or business partners of these competitors.

Corruption, granting and accepting of advantages:

The misuse of a person's conceded position of power or trust through the willingness to make the exercise of these competences dependent on benefits from third parties is prohibited. In business transactions, a representative of the company must not demand or accept a return service for an unfair preference when purchasing goods or services in form of an advantage for him/herself or for third parties. It is prohibited and, in this respect, also punishable to both grant and accept benefits which aim to influence a decision-making process.

Beyond that, any forms of fraud, embezzlement, theft or misuse of company property are prohibited.

Employees must not grant any advantages towards customers, business partners, employees of private or public companies and authorities or other third parties or accept any advantages from them.

Each form of benefits, such as gifts, cash, catering, tickets, accommodation, privileges etc that can be used personally, are strictly prohibited.

Such offered advantages and any form of bribery must be rejected and reported to the superior.

Environmental protection /energy efficiency:

We conserve natural resources and we aim this also for our products. Any hazardous impacts on the environment are to be avoided. We take the respect of the laws for environmental protection for granted.

Today, modern building technology contributes significantly to the well-being within your own four walls, but also in public buildings. Heating systems and also the solar and domestic hot water technology marketed by PAW completely cover the aspects profitability and environment protection. The conservation of natural resources is of central importance for us. In this way, we also assume our responsibility we bear towards society and the future generations.

With the aim of protecting our environment, the challenge for us consists in the development and market launch of more energy efficient systems.

Handling of information:

Confidential business information or company secrets must not be disclosed towards unauthorised persons, neither during nor after the termination of the employment relationship. Confidential business and company secrets include e.g. financial data, business strategies, technical data, information about products / product development, inventions, research and test results, company-internal key data. Beyond that, all information is included whose confidentiality is a legitimate interest of PAW and also its business partners.

The exchange of sensitive business information is possible when required, if a non-disclosure agreement was signed prior to this. On the part of PAW, it is mandatory that the company management or an authorised representative sign this agreement.

The direct or indirect use of confidential business information during or after the termination of the employment relationship redounding to the personal advantage of the employee or third parties or redounding to the disadvantage of the PAW GmbH & Co. KG is prohibited.

Corresponding to the existing guidelines, all employees are obliged to actively protect confidential data against access by third parties.

Data protection and data integrity:

The confidential and safe handling of personal data of natural persons is of very high importance.

Personal data must only be collected, processed and used for previously specified, explicit and legitimate purposes. Personal data must not be used for other purposes than those for which they were primarily collected. All employees are obliged to observe the regulations for data protection and, in particular, to make an active effort to reliably protect personal data against unauthorised access. In cases of doubt and in cases of violations, the data security officer responsible for data protection must be contacted.

Dealing with employees / customers / suppliers / business partners:

The contact with our employees and customers must be characterised by fairness and openness. We expect that all employees, customers, suppliers and other business partners associate fairly with each other and respect their mutual rights as well as their privacy. The PAW GmbH & Co. KG cultivates long-term customer relationships that are shaped by lasting cooperation.

As a worldwide operating company, we encounter our customers, employees and business partners fairly and open-minded as well as with understanding and tolerance. This results in a respectful contact with employees, customers, suppliers and other business partners having a contractual or business relationship with us.

Work environment, health and safety:

We have the highest demands on the quality and the safety of our products and services. We monitor the performance of our products in the market and we help our customers to avoid any dangers.

We ensure a safe work environment. Safety regulations must be strictly observed and must be permanently checked for their efficiency. Any deficiencies must be immediately identified and removed. In this regard, managers possess a particular responsibility.

Implementation, compliance and control:

Each employee must adjust his/her conduct according to the basic principles for a behaviour compliant to rules, which is recorded in this paper. This Code of Conduct gives an overview on legal regulations and intra-corporate guidelines. When carrying out their daily work, each manager and each employee must consider this Code of Conduct as an orientation guide respectively as a binding framework of action for the responsible contact with customers, suppliers or other business partners. A behaviour compliant to rules forms a solid basis for the trust of our business partners and supports the assurance of the long-term economic success. At the PAW GmbH & Co. KG, we do not accept any breach of rules. These do not only harm the directly affected persons, but also compromise the reputation of the PAW GmbH & Co. KG. All employees should report suspected or real misconduct without hesitation and trustfully to their superior, to the company management or to the compliance contact person. PAW will ensure that no employee will be discriminated against in any way on account of his or her report.

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The company management