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**UN Global  
Compact**

**Armacell's Communication  
on Progress Report 2012**

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## About this report

Since 2006 the Armacell Group is a sustainable member of the UN Global Compact and consciously supports this initiative with its best efforts, advising all its stakeholders to respect its self-commitment.

The UN Global Compact is a strategic initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. Armacell promotes and implements the "ten principles" and annually publishes a Communication on Progress (COP) Report.

This Report covers all the policies, actions and outcomes of the Armacell Group from September 2011 until October 2012.

This Report is a voluntary framework.





## Statement of Continued Support

"Since 2006 the Armacell Group is a sustainable member of the UN Global Compact and consciously supports this initiative with its best efforts, advising all our stakeholders to respect our self-commitment.

In an increasingly complex global environment, the common values that are firmly anchored in the organizational structure, become an important guidance and the basis for a long-term company success. Common values form the basis for a professional behavior of our employees as to each other as to our business partners. We created a specific Code of Conduct that measures all our business activities worldwide. It builds on our basic values and commits all employees to ethical behavior.

We consider ourselves accountable not only for our results, but also for the way in which the results are achieved. Only then it is possible to create a positive, customer-focused culture, where customers value the Armacell experience and build a continuous business relationship.



Patrick Mathieu  
CEO Armacell Group

## Statement of Continued Support

Ethical and responsible behavior are the foundation of our company structure. We focus on sustainable and profitable growth through the development and manufacture of our products and thereby make a positive contribution to the community. With innovations in the energy and acoustic efficiency we contribute to sustainable growth. Armacell is a company that can be trusted.

We clearly understand the importance of all ten of the Compact's fundamental principles, and our COP report shows a range of different activities with respect to human rights, labor standards, protection of the environment and anti-corruption.

To use resources as efficiently as possible, Armacell is constantly searching for ways to reduce raw material use, energy consumption and waste levels. Environmental awareness is linked to occupational safety, product stewardship and corporate citizenship.

Commitment is a key importance for us. We will continue to endorse the UN Global Compact as an integral part of our daily business."

Patrick Mathieu  
*CEO Armacell Group*

# Introduction to the Armacell Group

## About the company:

Armacell is a global innovator in foam technologies and the world leader in the market for flexible technical insulation materials. Our wide range of products provides solutions for energy conservation and energy efficiency.

Independent company with financially strong investors; approx. 2,440 employees worldwide representing more than 40 nations.

Manufacturing at 19 plants in 13 countries on 4 continents, servicing 88 countries, with 20 sales offices worldwide. Headquarter located in Muenster, Germany.

[www.armacell.com](http://www.armacell.com)

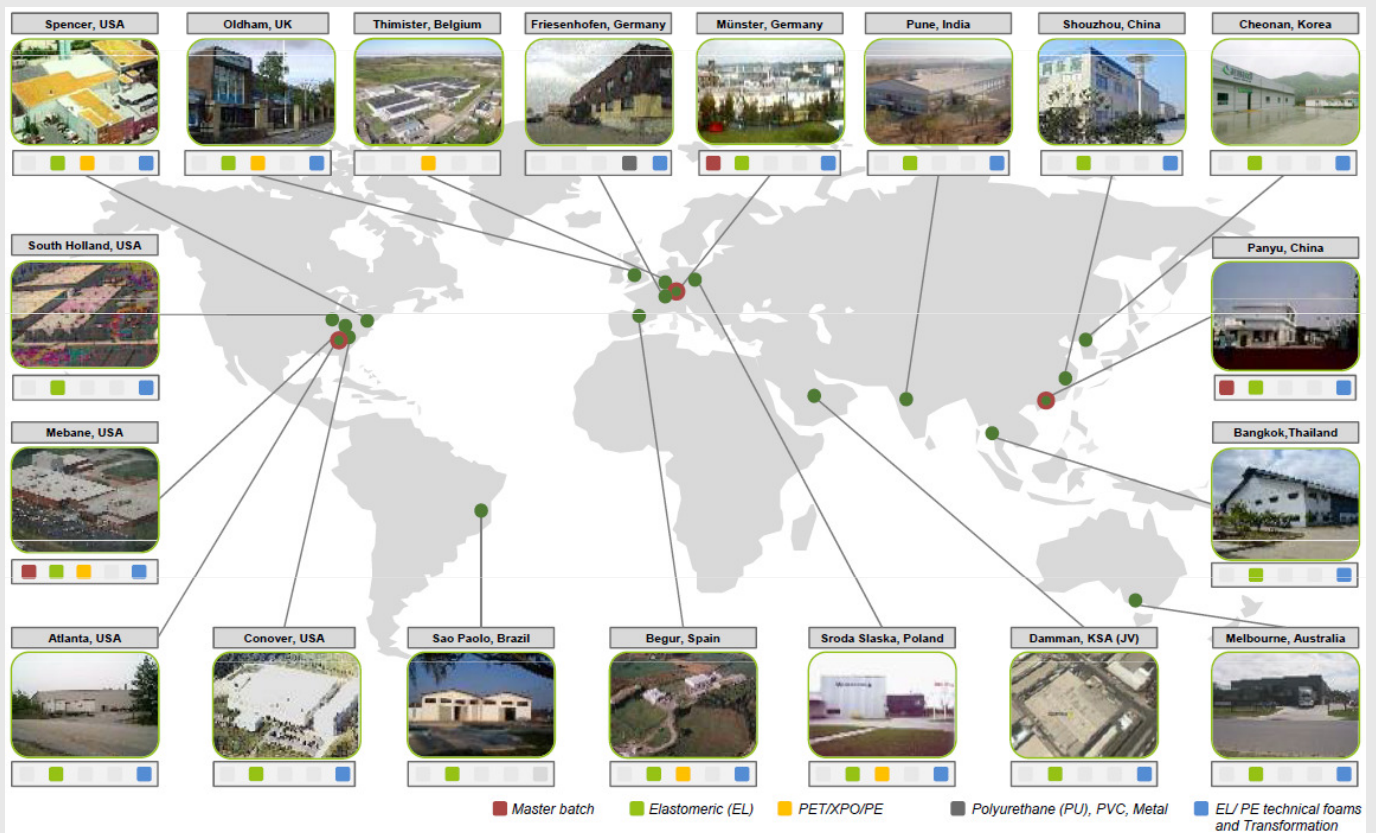


Headquarters in  
Muenster, Germany



Sheet line at the  
Muenster plant

# Armacell's Plant Network



A truly global operation with 19 plants  
in 13 countries.



# OUR VALUES

## WHAT WE BELIEVE

### CUSTOMER EXPERIENCE

We create a positive customer-focused culture. Customers value the Armacell experience and continuous business relationship.

### COMMITMENT

We are committed to develop and motivate our people, nurture their talents and develop new skills. We intend to build strong teams to support our company performance. The safety of our employees is the first commitment of the company.

### EMPOWERMENT AND ACCOUNTABILITY

We give our employees operational responsibility and expect them to develop and perform to the best of their talents. The basis for interaction between employees is mutual respect and trust.

### INTEGRITY

Our employees must be aware of and comply with rules and regulations, wherever in the world they are working. Integrity goes deeper than that. It is about doing the right things in the right way, as individuals and as a company. Ethical and responsible behaviour is fundamental to the way we do business. Armacell is a company that can be trusted.

### SUSTAINABILITY

We are focused on sustainable, profitable growth through development and manufacturing of our products to ensure a positive impact on our community. We contribute to sustainable growth by innovating in thermal and acoustical efficiency.





# **Policies, Actions and Outcomes since September 2011**



**Policies, actions and outcomes in support  
of the UN Global Compact**

# Principles 1 and 2

## Policies

- Armacell protects and respects international human rights
- Among the core company values are commitment and integrity
- These values and our concept of ethically and legally responsible behavior are described in our Code of Conduct renewed in September 2012  
<http://www.armacell.com/WWW/armacell/INETArmacell.nsf/standard/F24C2B8D33873675C125794F00479C79>
- Since 2006 we openly support the UN Global Compact in communication with our business partners and the general public

## Principles 1 and 2

- **Businesses should support and respect the protection of internationally proclaimed human rights;**
- **and make sure that they are not complicit in human rights abuses**

## Principles 1 and 2

- Global Compact principles publicly supported on our website, in speeches, in the press, in product brochures, in contact with customers and suppliers  
<http://www.armacell.com/WWW/armacell/INETArmacell.nsf/standard/6A4FF7D89467FE2D80257700005C4B90>
- Principles supported through publications
- Articles in the Global Compact International Yearbook 2011: “Energy efficiency is our business”
- The endorsement of the UN Global Compact has been incorporated in our supplier assessments. Since October 2009, every new supplier has been asked to respect the Global Compact’s ten principles
- Armacell's GC commitments incorporated into company presentation (shown to general public, customers, suppliers and other stakeholders)

## Principles 1 and 2

- “We support” logo used on our stationery
- Bulletins and regularly updated news regarding the Global Compact on the intranet
- Contact persons appointed in all geographical zones who report on local activities
- Financial contribution to the Foundation for the Global Compact

### Actions and Outcomes

- Our employees support the principle in their day-to-day business life
- In the past year, Armacell has not been subject to any investigations, legal cases or incidents involving Human Rights violations



## Principles 1 and 2

- Emphasis placed on the social dimension of sustainability amongst Armacell management and employees with many local "good citizenship" projects supported worldwide, i.e. projects which help the local communities in which Armacell operates.
- Regular donations in-kind for schools, hospitals, sports clubs and facilities for the handicapped in many plants worldwide
  - **Germany** (Münster): in Jan 2012 Donation of over € 3,000 to the daycare that works with handicapped children
  - **Germany**: Nov 2012: Donation of 1,000 ArmaSport mats to over 90 daycare facilities for children
  - **Sri Lanka**(Navithanveli): Ongoing programs comprise World Vision - financial support and regular correspondence with 10 orphans/half-orphans (aged between 6 and 15) following 2005 Tsunami.



## Principles 1 and 2

- **China**(Panyu): Organizing activities among Armacell colleagues to visit elderly people in Panyu Shilou Rest Home (on every Women's Day, March 8).
- **Spain:**
  - Sponsorship of International Athletics Meeting in Palafrugell
  - Support of a local cancer association
- **UK:** Sponsorship contribution of €6,000 per annum paid to local council for maintenance and keep up of the Community Garden and the underpass
- **France:** Donation of €1,500 to the association ELA (European Lucodystroph Association)



# Principles 1 and 2

## – Brazil:

- Donation to APAE - Parents of Special Children's Association (Association of parents and friends of persons with intellectual disabilities in Pandamonhangba (where our plant is located)
- In 2012, distributing small Christmas gifts such as footballs, plastic cars, dolls and basic food packages to poor children in Pindamonhangba. 2 employees and our truck involved.



## Principles 1 and 2

- Co-operation with non-profit organizations
  - US: Since 2009, partnering with non-profit community rehabilitation organization OE Enterprises (Hillsborough, NC, [www.oenterprises.org](http://www.oenterprises.org)) in the fabrication of insulation covers for irregularly shaped components (= fittings).
- OE's staff trained by Armacell to make Armaflex fitting covers.
- OE developed detailed production protocol and explained the process to people with disabilities, they in turn produce the covers.
- Extremely positive effects for all sides accelerated in 2012:
  - Customers were extremely satisfied with the offer of a complete insulation system for their individual application needs.
  - People from OE (who might have otherwise not been able to find a job in industry) produced not only standard fittings, but also large mechanical grooved fittings with excellent quality.





## Principle 3

### Policies

- Respecting and protecting the employees' rights to engage in union activity and collective bargaining
- Supporting the ILO Core Conventions, adhering to internationally recognized principles including Labor Standards
- Providing all employees with guidance for their actions through the new Corporate Philosophy A.R.M.A. Way
- Emphasize the workplace safety

### Actions and Outcomes

- Worker/employee representative bodies (e.g. works councils) established in most of our plants
- Regular interaction between management and employees through various appropriate communication channels in all our plants
- Additional safety regulations

### Principle3

- **Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining**

## Principle 3

- New: Introduction of the new corporate philosophy **A.R.M.A. Way** in September 2012, that provides all employees with guidance for their actions



In order to communicate the contents, all managers of Armacell worldwide have received the presentation “From Vision to Action” to present the contents to their employees. At the same time they are asked to consider in practical terms how they want to implement the **A.R.M.A. Way** together with their employees.

## Principle 3

- Introduction of the **Systematic Personnel Development Process** in Sep. 2011 with regular appraisal interviews at the headquarters in Muenster. In 2012 the system was rolled out worldwide step by step for all salaried employees in order to identify personal development needs and training requirements, consisting of: Annual Performance Development Review (APDR), People Review Conference, Implementation and monitoring of development measures, Mid-Year Review, Preparation for the APDR

- to improve the overall performance
- to have a worldwide standardized system for Armacell
- to receive an overview of the distribution of employees' performances and potentials and facilitate succession planning in the company
- to analyze personnel development needs systematically
- define objectives for all participants in this process in a standardized way related to the A.R.M.A. Way Philosophy

## Principle 3

- New: Introduction of the **Annual Performance & Development Review** in 2012 in Europe and in 2013 in Americas, APAC, India- which provides mutual feedback on the working relationship and is also a development dialogue between managers and employees
  - contribute to better communication between the employee and his manager
  - improve the employee's qualification and personal development
  - encourage the employee to pursue corporate goals by setting objectives and to foster an open dialogue
- New: the **People Review Conference** was introduced in 2012 for the first time at the headquarter in Muenster (Germany) and will be rolled out in whole Europe in 2013
  - takes place once a year and goes top down to the third level
  - every manager presents the assessment and succession planning for his key positions/key employees to the group
  - at the end of the People Review Conference the group should have defined measures and successors for every key position/key employee



## Principle 3

- New: Additional workplace safety regulations since October 2012
  - Employees from the production plants have to wear safety ankle boots at least of the category S1
  - Employees from the logistic and the workshop departments have to wear safety ankle boots at least of the category S3
  - All employees and all visitors who enter the production plants have to wear safety ankle boots
- New in Germany:
  - at the request of employees, the employee newsletter “ArmaPlus News” was introduced with the aim of reporting on in-house topics;
  - a regular update message “MarCom News” informs employees about the actual media releases

# Principles 4

## Policies

- Armacell supports the ILO Core Conventions and will not do business with any organization who uses forced or child labor

## Actions and Outcomes

- Since the beginning of 2007, Armacell has initiated and rolled out a project covering its suppliers worldwide, informing them about our support of the UN Global Compact's ten fundamental principles.
- Follow-up among suppliers with changed focus: at the end of 2012/13 they are to be contacted again with special emphasis on Principle 10
- Employees issued with a contract of employment which clearly states their terms and conditions including pay rates and overtime pay arrangements.
- Performed “Kaizen” events with workers participation to improve packing on contlines

## Principle 4:

➤ **[Businesses should uphold] the elimination of all forms of forced and compulsory labour**

## Principle 5

### Policies

- Armacell supports the ILO Core Conventions and firmly dissociates from child labor

### Actions and Outcomes

- Armacell requires its suppliers to sign documents confirming that they comply with the principles that call for eliminating all forms of forced and compulsory labor and abolishing child labor.
- In 2012 Armacell opened a new plant in Seoul (South-Korea) and thereby created 30 new workplaces by firmly abolishing child labor.
- Declaration letter of ethics

### Principle 5:

➤ **[Businesses should uphold] the effective abolition of child labour**

## Principle 6

### Policies

- Expressly mentioned in our Code of Conduct
- Range of HR Policies which support best practice in terms of labor and employment including Equal Opportunities Policy, Appraisal Procedure and Flexible Working Policy.
  - Flexible work hours where possible to facilitate work-life balance
  - Continuous concern to respect and promote the principle of non-discrimination on all levels of our Human Resources Departments worldwide
- Strict safety policy in place that is subject to continuous improvement

### Principle 6:

➤ **Businesses should uphold the elimination of discrimination in respect of employment and occupation**

## Principle 6

### Actions and Outcomes

- Only qualifications, skills and experience as the basis for recruitment; placement, training and advancement of staff at all levels.
  - **Germany:**
    - setting up English language courses on different levels that are paid by the company for all employees at our headquarters in Muenster: 34 participants in 2011/12, 41 participants in 2012/2013
  - **Spain:**
    - language classes of Portuguese, English, French, German
    - Excel and Access courses
    - Courses on personal abilities
    - Training on health and security
    - Technical capacities





## Principle 6

- Reinforcement of our focus on education and training
  - In and around Muenster/Germany: Organizing and sponsoring discussions, workshops and seminars for pupils and students, informing them about measures to reduce energy consumption.
    - 12 internships for pupils in 2011, 23 internships for pupils in 2012
    - As in previous years, regular events for pupils and students “Girls’ Day” (April 2012), “Schule und dann?” (April 2012) and participation in educational fairs in 2012 too.
  - New: School Engineering Working Group since January 2012
    - Armacell founded a cooperation with a secondary school in Muenster (Germany) to give pupils the opportunity to visit the plant once a week and to learn drilling, filing and other manufacture activities
  - India: in 2012 Armacell India has sponsored education of 6 on-roll employees and 7 contract workers. The total funds utilized were 62,000 INR

## Principle 6

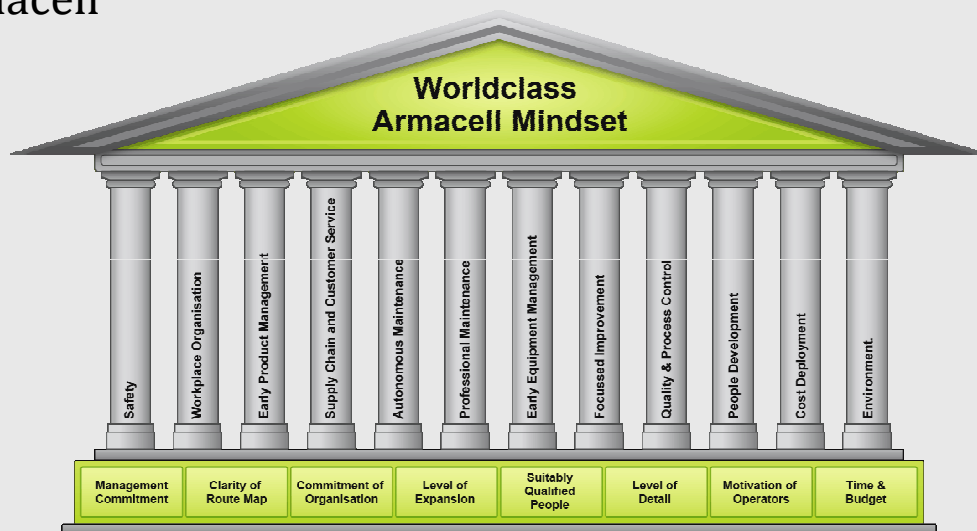
- Global system of Armacell Achievement Awards in place that recognizes the efforts of every single employee regardless of position, race/ethnicity, country of origins or gender; graded as **Initiative Award** (for outstanding effort that demonstrates initiative and inspires others to higher levels of productivity), **Leadership Award** (recognizing an achievement that is superior in its' effort and specific contribution), and **President's Global Award** (for unique contribution to the overall mission and value of the company ) presented just once a year.
  - North America:
    - 2011: 5 Initiative Awards, 1 leadership Award
    - 2012: 1 Initiative Award
  - India and Middle East:
    - 2011: 7 Initiative Awards, (many local awards on top)
    - 2012: 1 Initiative Award
  - Europe:
    - 2011: 20 Initiative Awards, 13 Inspiration Awards, 1 Pioneer Award
    - 2012: 29 Initiative Awards, 13 Inspiration Awards, 38 Leadership Awards
  - Asia & Pacific:
    - 2011: 18 Initiative Awards, 5 Pioneer Awards, 1 President's Global Award
    - 2012: 27 Initiative Awards

## Principle 6

- Commitment to providing a safe work environment for our employees ("zero harm to people").
  - Health and safety committees appointed in the plants.
  - OHSAS 18001 certification for the plants in China (Panyu and Zhangjiaguang) and in India (Pune).
  - Many safety practices in all our North American plants implemented over the past few years with the aim of getting certified as SHARP facilities; in 2011, SHARP certification for Mebane and Atlanta, Conover and South Holland expected to follow by 1st quarter of 2012.
  - In Muenster/Germany regular briefings in safety at work for all employees; in cooperation with the *Berufsgenossenschaft Rohstoffe und chemische Industrie (BG RCI)* instructing 19 new safety representatives.
  - In Spain: Full implementation of 5S in production areas (improved standards on housekeeping)

## Principle 6

- 2012: Introduction of **World-class Armacell Mindset (WAM)**. WAM is a management approach to efficiency, a program to continuously improve the performance and competitiveness of Armacell



- As an integral part of the WAM program the **LEAN culture concept** with continuous improvement in the whole organization in North America was introduced. Rolled out in Europe and Asia as well in 2012, starting with Manufacturing and dependent upon understanding and involvement by all employees on all levels of the organizations.
  - Successful implementation requires that all employees are trained to change their working habits; training process already started (top-down process).

## Principle 7

### Policies

- Environmental protection is an integral part of the business strategy
- Environmental guidelines are in place in all our companies & manufacturing plants: all Armacell employees worldwide are obliged to behave responsibly towards the environment and conserve natural resources on and off the job
- Armacell commits itself to manufacturing products which pose no threat to the environment

### Actions and Outcomes

- 17 out of 19 plants worldwide ISO 9001 certified, 1 plant TS16949 registered
- Continuous research on Life Cycle Assessment
- Global Environmental Assessment on a global basis for all 19 manufacturing sites

### Principle 7:

➤ **Businesses should support a precautionary approach to environmental challenges**



## Principle 7

- **Global Environmental Assessment** with external consultant in Jan/Feb 2013 on a global basis for all 19 manufacturing sites. The goal was to review environmental compliance based on legal requirements and also to get indications for environmental improvements. General outcome was that there are no material environmental issues.
- Auditing of the biggest plants and the new ones, telephone interviews, checklists etc. at all other plants. Same Assessment was carried out in 2006.
- Outcome: Site Reports / Exposés / Side Letter / Summary
- All European Armacell insulation plants environmentally certified (ISO 14001) following the certification of the Polish plant in June 2011 (i.e. Muenster (DE), Friesenhofen (DE), Begur (ES), Oldham (GB), Sroda Slaska (PL)).
- Following the certification of the Indian plant in June 2011, now 3 Asian plants ISO 14001 certified (Panyu (CN), Suzhou (CN), Pune (IN)). In total 17 out of 19 plants certified.

## Principle 7

- Continuous research on Life Cycle Assessment (LCA) conducted for the first time in 2009 for the main elastomeric insulation product Armaflex, based on ISO 14040 methodology. The aim was to investigate systematically its environmental impact, relying on data from all Armacell production facilities and markets worldwide.
  - Energy balance: taking an average service life of 20 years, 140 times more energy saved through the use of Armaflex than needed for its production, transport and disposal.
  - Product's carbon / climate footprint: 150 times more CO<sub>2</sub> emissions prevented over an average lifetime of 20 years than emitted while being produced.
  - In heating applications, where a service life of 30 years can be assumed, even better ecobalance: 270 times more energy saved and 500 times more greenhouse gas emissions prevented compared to production requirements.
  - Pay-back time for energy input needed to produce Armaflex just 50 days.

## Principle 8

### Policies

- Preserving and enhancing the quality of the environment around us as integral part of the Armacell business strategy, explicitly stated in our Environmental Guidelines

<http://www.armacell.com/WWW/armacell/INETArmacell.nsf/standard/F26DF0CF83E1D686802576F0005F8BDB>

and in our Code of Conduct

<http://www.armacell.com/WWW/armacell/INETArmacell.nsf/standard/F24C2B8D33873675C125794F00479C79>

### Actions and Outcomes

- Active in appropriate associations to increase insulation standards for energy efficiency
- Membership and active participation in US Green Building Council and in numerous other national organizations targeting renewable and green energy industries worldwide

### Principle 8:

➤ **Businesses should undertake initiatives to promote greater environmental responsibility**

## Principle 8

- “European Industrial Insulation Foundation” (“Eiif”, [www.eiif.org](http://www.eiif.org)) was established, with Armacell as a founding member

Aiming to raise awareness of energy-saving potential which can be realized through the optimal use of insulation, especially amongst industry and governments. Up to now energy efficiency in buildings has received a lot of attention whereas the importance of industrial insulation for energy efficiency has been vastly underestimated.



Ongoing actions include

- Communication campaign “THE INSULATOR” started in Nov. 2011,
- Working on a European quality mark for sustainable insulation products,
- Establishing the title of a TIPCHECK (=Quick check of technical insulation performance) certified engineer for identifying the places within a facility which bear the highest saving potential with a rapid payback, first engineers certified in Oct. 2011.

## Principle 8

- In co-operation with Ecofys, research on the average savings potential in industry. Preliminary findings show that heat loss savings of 45% would be possible if an existing system designed with current specifications was insulated at least cost-effectively. Report to be released in early 2012 using World Environment Day (every 5<sup>th</sup> June) to stimulate awareness of environmental issues.
- Other initiatives to promote environmental responsibility:
  - **Armacell India:** As in previous year, also in 2012 a tree planting program was organized, 30 trees were planted in the surrounding areas of the production facility

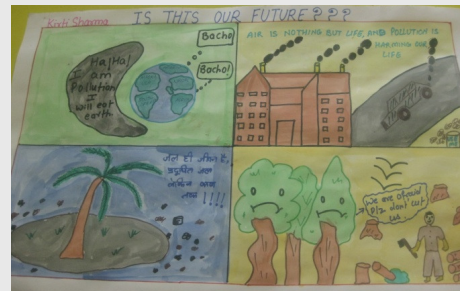




## Principle 8

### ■ Armacell India:

- In 2012 Armacell has organized Poster Competition on „Environmental Issues“



Painting from a child from India

- Armacell has organized a Slogan Competition and a Suggestion Competition on „Energy Saving, Pollution Control & Water Conservation at Armacell“

### – „Cycling for a greener and better tomorrow 2012“

Armacell has organized a cycle rally of around 14km for spreading awareness on preserving the environment.



## Principle 8

- Concrete training activities and seminars on the professional installation of elastomeric insulation materials provided in many different locations worldwide; special emphasis laid on environmental aspects and on correct installation of the flexible insulation material to ensure that no energy losses occur.
- New Training Center at the company's headquarters in Muenster opened at the end of Sept. 2011, optimal conditions for application training.

In 2012:

- **Germany:** as in the previous years, 1,000-1,200 participants (p) including insulation contractors, specifiers/engineers, installers, trainees, construction supervisors were trained in approx. 90 seminars, not only in-house, but also in schools and workshops.
- **Switzerland:** a tree-day-training with 15 participants
- **Russia:** 10 trainings (70p)
- **CE South:** 15 Application trainings with total 163 participants:
  - Serbia (60p), Montenegro (9p), Croatia (14p), Romania (10p), Hungary (60p), Slovenia (10p)
- **Austria:** 4 trainings with total 45 participants:
  - Sanität Heiung (15p), Isolierer Duschek Graz (10p), Isolierer SWK Hengersdorf (8p), Berufsschule Linz (12p)

## Principle 8

### ■ New: Certificate of Climate Protection

- In 2011 Armacell has given valuable materials for recycling, thereby  
493.45 tones of greenhouse gases were saved  
→this reflects the average annual CO<sub>2</sub> emissions of 238 cars

### ■ New: Certificate of Sustainability

- In 2011 Armacell has carried valuable contributions to the environment on cooperation with the group
  - Primary raw material savings of 3.484 tons
  - Energy generation and savings in the amount of 13.116 MWh
  - CO<sub>2</sub> savings of 1.957 tones CO<sub>2</sub> equivalent



## Principle 8

- New: since November 2011 Armacell is the first manufacturer of flexible pipe insulation to provide **CE-certified** products
  - an expression and visible indication of the Armaflex products' compliance with the Construction Products Directive
  - the majority of the Armaflex products achieve the **class B/BL<sub>s3,d0</sub>** in the European fire test
- New: Project in 2012-Recycling of colored bottles
  - In 2012 Armacell started a pilot project by recycling colored bottles



## Principle 9

### Policies

- Implementing a worldwide R&D strategy based on principles of sustainability and environmental protection with specific research aims, including constant further development of product formulations that pose no threat to the environment

### Actions and Outcomes

- Following the development of formulations for the worldwide substitution of the widespread brominated flame-retardant agent decabrom-diphenylether (“deca-BDE”), which has been under discussion in recent years due to its negative environmental impact, deca was substituted step by step  
→ completely deca-free production already achieved in 2011 for the whole of Asia and Europe where it had been used previously.

### Principle 9:

- **Businesses should encourage the development and diffusion of environmentally friendly technologies**

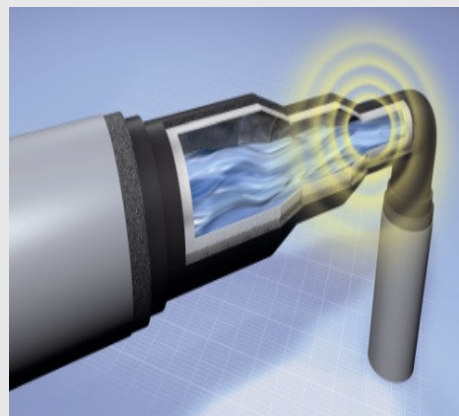
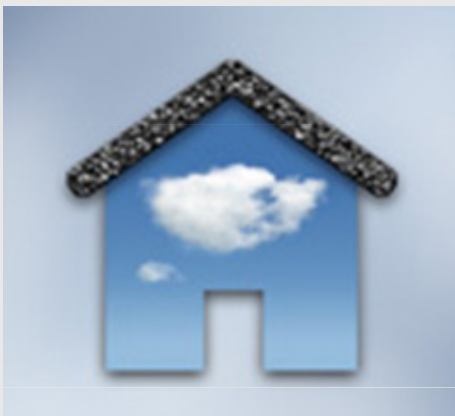


## Principle 9

- In 2011, developing and introducing formulations that do not use brominated flame retardants.
- R&D strategy in 2012/13:
  - Develop elastomeric foams with excellent fire behavior but without brominated flame retardants and without antimony trioxide which are suspected of being potentially carcinogenic for humans,
  - Develop formulations without MCCPs (as plasticizer),
  - Further lower the thermal conductivity of elastomerics and PET materials through new developments which will result in significant savings in terms of material consumption and in energy savings for the user.
- In 2011, as in 2010, we re-used 25-30% of our elastomeric by-products as valuable alternative raw materials worldwide, more than 90% in the plants in India, the United Kingdom and Saudi-Arabia.
- Further work towards the target of zero waste generation in the production of elastomeric foams.

## Principle 9

- with the effect of zero waste generation, product developments such as **ArmaSound**: trim material that cannot be re-worked back into the process may be re-engineered into a high-performance acoustic foam, resulting in a "win-win" scenario for the environment.
  - Re-using waste materials reduces impact of disposal, while at the same time offering a solution for noise pollution.
- Reduced weight and thickness compared to traditional systems allow for additional energy savings in application, while offering improved acoustic performance

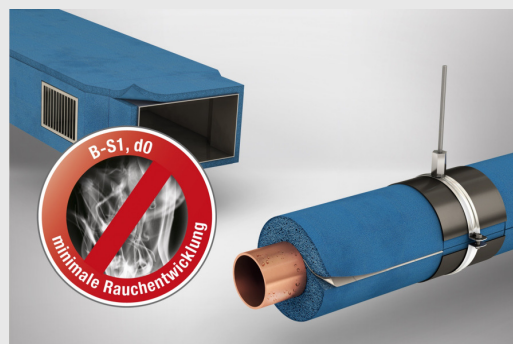


## Principle 9

- New in 2012: **Armaflex Ultima** (minimal smoke insulation material with  $B_{s1,d0}$ )
  - 95% of those killed in a fire are killed by smoke
    - new generation closed cell FEF insulation material that virtually rules out the smoke development
  - developed specifically for application areas with low smoke or elevated safety requirements

### ADVANTAGES FOR THE ENVIRONMENT:

- ✓ reduces energy losses and minimizes CO<sub>2</sub> emissions
- ✓ low thermal conductivity for high energy savings
- ✓ excellent protection against water vapor diffusion for long-term performance
- ✓ first flexible closed-cell insulation with Euroclass  $BL_{s1-d0}$
- ✓ increased safety through superior fire performance and reduced smoke density
- ✓ reduction on thermal losses
- ✓ no condensation
- ✓ no PVC
- ✓ no LCCP or MCCP
- ✓ self-adhesive products
- ✓ LEED, DGNB, BASTA, BVB



# Principle 10

## Policies

- A specific Armacell Code of Conduct has been adapted to the new corporate values and published in September, 2012
  - Explicit statement to emphasize Principle 10 of the UN Global Compact based on our five company values: Customer Experience, Commitment, Empowerment and Accountability, Sustainability, and Integrity
  - Describes how our values are implemented in practice. It defines the rules for our daily work, both internally and externally
  - Value of integrity makes up the largest part of the Code
  - Managers are expected to lead by example, to drive a culture as set out by our values and Code of Conduct

## Principle 10:

➤ **Businesses should work against corruption in all its forms, including extortion and bribery**

# Principle 10

## Actions and Outcomes

- When introducing the Armacell Code of Conduct, our CEO wrote a bulletin published on our intranet and, in addition, sent to all our locations to be printed out and displayed on all notice boards
  - printed on posters and are hung up in public areas at the Armacell locations worldwide
  - the Code of Conduct has been translated into the languages of all countries where Armacell has a plant and a letter of acknowledgment has to be signed by every employee worldwide by the end of the year 2013
  - In 2013 the contents from the Code of Conduct will be implemented into the introduction program for new employees





## Principle 10

- Hotline has been established for advice on ethical issues.
- The Code of Conduct, part of the CEO Bulletin and our values were also published on our homepage.  
<http://www.armacell.com/WWW/armacell/INETArmacell.nsf/standard/F24C2B8D33873675C125794F00479C79>
- A brochure has been prepared as a hand-out for new employees upon entering the company, to be used in all our locations worldwide.
- An article was published in our *ArmaPlus* magazine in January 2012, which is intended as information for Armacell's business partners.
- In addition, personal letters have been prepared to our suppliers worldwide communicating our anti-corruption commitment and requiring the same standards of them; letter is in line with our letters to our suppliers sent out three years ago where we informed our suppliers of our commitment and of the Ten Principles.
- A special logo was created to enhance visibility of the Code.

A photograph of an industrial facility, likely a power plant or refinery. The scene is dominated by large, black, insulated pipes that curve and run horizontally across the frame. In the background, there are green-painted industrial machines and structures. A control panel with a screen and buttons is visible on one of the machines. The ceiling is high with various pipes and structural elements. The lighting is bright, coming from overhead fixtures.

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**Install it. Trust it.**