

UN Global Compact Communication on Progress (COP) 2014

From: 2014-01-01 To: 2014-12-31

Statement of continued support by the President (CEO)

Perstorp is in the middle of a transformation process taking the company from Good to GREAT. In this process we never lose sight of the importance of constantly renewing our focus on safety and environmental responsibilities. During 2014 good groundwork was done by our Responsible Care unit, setting out the direction for improving our position in this area, with the objective to move from average to top quartile for OSHA recordables. Much of the preparation work is complete and we are moving into implementation as quickly as possible. Some results have already been achieved regarding bringing down accident rates. Several of our capital investments were aimed at improving environmental responsibility and as an average over the last three years, some 8-9 % of our investments have gone into improving our sustainability performance. Our target of reaching top quartile by 2017 will require certain additional investments as well as a lot of new ways of working in the years to come.

The central aspects of Perstorp's ongoing transformation is to put more focus on safety and environmental responsibility together with the need to meet our future business challenges. Our values are shaped by our commitment to the UN Global Compact, of which we have been a signatory since 2004. Those values guide our every decision and action as we drive Perstorp to a leading Responsible Care culture. We did not just want to make some changes and see where that took us, but we wanted to define where we needed to go and find a way to build that bridge. During the fourth quarter of 2013 and the first part of 2014, we did a lot of analysis and groundwork. During the rest of 2014, we prioritized and worked on extensive improvements, basically in all areas of the value chain. In 2015 and beyond we will make our goals a reality.

Sincerely,



Jan Secher
President and CEO

Human Rights Principles

Assessment, Policy and Goals

Perstorp's Code of Conduct is based on the company's three core values and has been drawn up in accordance with the OECD's guidelines for multinational enterprises, the chemical industry's Responsible Care program and the guidelines outlined in the International Labour Organization (ILO) convention.

Our Code of Conduct clearly states that:

Perstorp respects the individual and stands for justice, honesty, openness and trust, as well as encouraging networking, participation and the use of personal initiative.

Child labour

Perstorp does not tolerate any form of child labour. The minimum age of employment within Perstorp is regulated by the legislation of the respective country.

Forced or slave labour

Perstorp does not tolerate any form of forced labour or slave labour, or work carried out by political prisoners or illegal workers.

Union activities

The freedom of association and the right to belong to a union, like the right to collective bargaining and agreements, are respected within all parts of Perstorp.

Implementation

Every employee is given a briefing on the Code of Conduct by their immediate manager. All employees within Perstorp must know and fully understand the content of the Code of Conduct. The Code of Conduct shall be considered as a tool and support in everyday work, and it helps us to live up to our three core values: focused innovation, reliability and responsibility.

Measurement of outcomes

Perstorp's managers shall also encourage employees to correct, or report, matters that contravene the principles of the code. The fundamental approach is that local managers shall handle any problems or suspected violations that arise. Perstorp's managers shall ensure that the Code of Conduct is observed and they shall create such an open atmosphere and working environment that all types of problem can be discussed openly and without censure. If for some reason it is not possible to report a violation locally, the alternative is to use the whistle-blowing principle available to all our employees.

In 2014 no violations were reported through the whistle-blowing function.

Labour Principles

Assessment, Policy and Goals

Perstorp's Code of Conduct is based on the company's three core values and has been drawn up in accordance with the OECD's guidelines for multinational enterprises, the chemical industry's Responsible Care program and the guidelines outlined in the International Labour Organization (ILO) convention.

Link to Perstorp's Responsible Care Policy:

https://www.perstorp.com/en/Responsibility/Policies_and_Standards/Environment_health_and_safety_policy/

Our Code of Conduct Clearly States:

Working environment

It is Perstorp's responsibility to offer safe and physically and psychologically healthy working conditions for all employees, and to forbid and take action against all types of harassment.

Non-discrimination & diversity

Perstorp recruits and treats its employees in such a way that no one is discriminated against on grounds of gender, race, religion, age, disability, sexual orientation, nationality, political opinion or social or ethnic origin. Equality and diversity in the workplace and in new recruitment are encouraged within Perstorp.

Working hours & overtime

Local laws and agreements relating to working hours, overtime and overtime remuneration shall apply. Salaries shall be paid regularly and follow the local laws and market situation. All employees have at least the minimum right to locally legislated time off.

Training & further education

Perstorp shall strive to develop and enhance employees' expertise so that they can, in the best way possible, support the company's current and future business activities.

Implementation

Reference to Perstorp Annual and Sustainability Reports 2014:

[Part 1](#) [Part 2](#)

Reference to Responsibility at Perstorp.com: <https://www.perstorp.com/en/Responsibility>

Measurement of outcomes

References as above.

Environmental Principles

Assessment, Policy and Goals

Perstorp's Code of Conduct is based on the company's three core values and has been drawn up in accordance with the OECD's guidelines for multinational enterprises, the chemical industry's Responsible Care program and the guidelines outlined in the International Labour Organization (ILO) convention.

Link to Perstorp's Responsible Care Policy:

https://www.perstorp.com/en/Responsibility/Policies_and_Standards/Environment_health_and_safety_policy/

Our Code of Conduct Clearly States:

Resource management

Perstorp's products and production processes are designed so that energy and raw materials are used in a resource-efficient way and that waste and residual products are minimized.

New products & processes

Environmental, health and safety aspects must always be considered during the development of new products and processes. Perstorp shall always provide updated information on products' possible effects on health and the environment.

Precautionary principle

Perstorp applies the precautionary principle by striving to avoid materials and methods that can constitute an environmental or health risk when good alternatives are available. It is Perstorp's responsibility to supply customers/business partners with relevant information on how products may/should be used.

Perstorp's products shall live up to the agreed and legal norms, and be labelled with health warnings and product safety and information markings.

Environmental reporting

Perstorp regularly examines, follows up and reports environmental impact, with special emphasis on evaluating the potential risks of current and future products and operations. Perstorp works constantly to reduce negative effects on the environment in accordance with the company's commitment to sustainable development.

Implementation

Reference to Perstorp Annual and Sustainability Reports 2014:

[Part 1](#) [Part 2](#)

Reference to Responsibility at Perstorp.com: <https://www.perstorp.com/en/Responsibility>

Measurement of outcomes

References as above.

Anti-Corruption Principles

Assessment, Policy and Goals

Perstorp Holding AB (publ) and its subsidiaries (the “**Perstorp Group**”) strive to be good, responsible and appreciated members of the community in the societies where we run our operations and sell our products. This is achieved through the adherence to our core values; focused innovation, reliability and responsibility stated in the Perstorp Code of Conduct. Responsible corporate conduct includes the adherence to all applicable laws and regulations as well as to maintain high ethical standards in our conduct.

In order to further clarify and highlight our position on non-acceptance of bribery and corruption, the Perstorp Group has adopted **PERSTORP GROUP ANTI-BRIBERY POLICY** (the “**Policy**”) for the prevention, deterrence and detection of bribery and corruption. This Policy applies to everyone acting on behalf of the Perstorp Group, including the board of directors, all employees, business partners and other representatives.

This Policy is intended to provide clear and practical guidance as to applicable anti-bribery rules and policies starting with the Perstorp Group basic anti-bribery requirements, followed by an account of expected conduct in relation to hospitality, gifts, corporate events, sponsoring and donations and management of third parties.

This Policy has been adopted by the board of directors of Perstorp Holding AB (publ) and implemented throughout the entire Perstorp Group. The Perstorp Group Executive Leadership Team (“**ELT**”) as well as all individual managers within the Perstorp Group has an additional responsibility to act in accordance with this Policy and to set a good example for the rest of the organization.

Implementation

This Policy provides guidance as to the functions within the Perstorp Group responsible for the management and supervision of this Policy and the consequences of non-compliance with this Policy. This Policy is supplemented by anti-bribery procedures and training.

Measurement of outcomes

Each and every employee and representative of the Perstorp Group is encouraged to bring forward any complaints, concerns or questions related to the Policy. All complaints can be submitted to Business Area or Group Function Manager directly or anonymously by using the whistle-blowing principle. No employee will suffer demotion or other adverse consequences for bringing forward good faith complaints, concerns or questions or for refusing to pay bribes, refusing to receive bribes or for complying with this Policy, even if it may result in the Perstorp Group losing business.