

UN Global Compact Communication on Progress (COP) 2015

From: 2015-01-01

To: 2015-12-31

Statement of continued support by the President (CEO)

LEADING CHANGE

Today, Perstorp is a global leader in many consolidated niches with high growth. Yet being a leader isn't a time to rest. There are always storms to weather, and areas to improve. As our transformation "From Good to GREAT" continues, we're focusing more and more on leadership. Specifically, Leading Change to continually evaluate how we can improve – from upholding commercial excellence and a market-driven approach to increasing safety and environmental responsibility.

The fundamental difference between managers and leaders is that leaders don't shy away from tough decisions. They stick to their convictions. They cultivate culture over rules, instilling vision and direction to engage and motivate. And they start with themselves. Perstorp is not merely looking to manage change.

We're going to lead change.

RESPONSIBLE BUSINESS

During 2015, Perstorp had continuous focus on Responsible Care, with the direction of improving our position in this area. We have worked hard and succeeded with the 2015 objective set for a safer work environment, measured as OSHAR*. We reached 1.1, compared to 1.5 in 2014 and for 2016, we have 0.8 as an even tougher target.

Also in 2015, based on a thorough materiality analysis, we also developed a new indicator for how our products and solutions stand from a sustainability perspective. This Sustainability Index, a total cradle-to-grave impact measurement, will be available for customers to use and benchmark.

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.

LOOKING AHEAD

Our strategy going forward is clear: continue our focus on cash-generative growth. To accomplish that, we must do things that matter for the market by using what we're great at in Perstorp.

Perstorp will also increase its ambition in sustainability, seeking long-term economical development, social value from good chemistry, and true transformation towards ecological alternatives.

* - Number of injuries involving lost time or medical treatment more than first aid multiplied by 200,000 and then divided by actual hours worked



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 engage in or tolerate the employment of children under the age of 16 years.

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 2015 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 2015:

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

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 2015:

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

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.