

# Code of Conduct



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# How we apply the Code of Conduct

Perstorp's Code of Conduct has been drawn up to underline the principles that direct the company's relations with personnel, business partners and other parties. It applies to all companies within Perstorp, for the company's board, management group and all personnel. Perstorp also encourages its suppliers, distributors and other business partners with which Perstorp has close relations, to act according to these principles.

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.

The Code of Conduct is mandatory and failing to follow its principles can lead to disciplinary measures.

The Code of Conduct covers the areas of Perstorp's business principles, products & environment, working conditions and human rights.

*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. Perstorp supports the UN's Global Compact and its ten principles.*

The Code of Conduct was adopted by the Perstorp Group's Board on May 5, 2009.

Perstorp cares about its customers,  
personnel, society and the environment.



# Perstorp's unique success molecule

Perstorp's unique success molecule consists of the Group's three most important strengths, its core values: focused innovation, reliability and responsibility. These core values in various combinations pervade Perstorp's working methods and solutions, and always create Winning Formulas.

## **Focused innovation**

Focused innovation means that Perstorp places value on developing working methods, responsibility and processes for the mutual benefit of customers and the company. This does not mean innovation for its own sake, but innovation with an aim to find the best value-creating solution. In the area of chemicals, Perstorp focuses on niches in which the company has the prerequisites to be a world leader and drive development based on well-defined customer and environment-related needs.

## **Reliability**

Perstorp places great importance on keeping its promises to customers. This entails continuously ensuring that performance and processes live up to customers' expectations. It means that Perstorp provides

reliable low-risk solutions delivered with high precision. To deliver what you have promised, both as an individual and as a group, is decisive for Perstorp's success and building confidence and loyalty among its customers.

## **Responsibility**

Perstorp provides products, services and solutions that are environmentally sustainable and fully match customers' needs. Perstorp uses safe processes and has a marked safety-oriented approach. Personnel are well trained and qualified for their work, and they are prepared to take responsibility and solve issues that arise when required. Perstorp is an organization that cares about its customers, personnel, society and the environment.

# Business principles

## **Business ethics**

Perstorp follows the laws and agreements in the countries where the company is active and requires that suppliers and business partners also comply. Perstorp's relations with business partners shall be characterized by honesty and openness.

## **Open & honest communication**

Perstorp encourages continuous communication with the company's various interested parties. All communication shall follow applicable legislation, regulations and norms. Communication shall be transparent, honest and proactive.

The CEO, CFO and heads of the respective Business Group and Corporate Functions are the company's spokespersons and have the right to make statements on behalf of the Group. Other managers are spokespersons for their respective areas of responsibility.

## **Accounting & reporting**

All business transactions are recorded in accordance with the company's accounting principles and local

legislation, and accounting shall in no way be misleading. Perstorp's financial accounting shall be open, truthful, relevant and understandable.

## **Customer relations**

Perstorp shall always handle questions and any complaints from our customers in a fast, efficient and correct way.

## **Suppliers**

The principles in this document shall apply in the assessment of current and potential suppliers.

## **Community commitment**

Perstorp shall be a good, responsible and appreciated member of the community in the societies where we run our operations. This can mean involvement in community activities or support for the community in other appropriate ways.

## **Conflicts of interest**

All employees are expected to avoid situations in which their personal, financial or other interests can

come into conflict, or can be considered to come into conflict, with the company's interests. Should such a conflict arise, it must be reported at once to the immediate manager.

### **Competition & cartels**

All functions and employees must be aware of, and observe, all laws that concern competition and not participate in any illegal anti-competitive cooperation. For detailed instructions, see the Perstorp Competition policy.

### **Confidential information**

Employees are not allowed to use their knowledge of the company, its products or business transactions in contexts other than for the good of the company. Every employee must follow the regulations on confidentiality of information, which is owned by the company and our business partners, and is regulated by our Security policy.

### **Gifts & bribes**

Perstorp shall not offer customers, potential custo-

mers, authorities or other business partners any form of remuneration or reward that contravenes laws or good business practice. Small gifts can however sometimes be a part of business culture. Perstorp does not allow bribes in any form.

Perstorp personnel shall not accept payment, gifts or any other type of remuneration from third parties that in any way can influence, or be considered to influence, their objectivity in business decisions.

### **Political affiliations**

Perstorp takes a neutral position in terms of party politics and political candidates. The Perstorp brand is not to be used to support political parties or candidates. Consequently, we neither contribute to political parties or organizations, or to individual politicians.

# Products & Environment

## 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 and how, and for what, they should not 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.





# Working conditions

## **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.

## **Preventive health care**

Perstorp supports the health of individual employees through preventive health care and various fitness programs.

## **Zero tolerance for accidents**

Perstorp shall maintain and develop an optimal health and safety standard at all locations where the company is active and thereby minimize possible risks. Within Perstorp, zero tolerance applies regarding workplace accidents and all other types of accident.

## **Use of alcohol or drugs**

Perstorp expects that all employees carry out their work without being under the influence of alcohol or drugs. Any use of alcohol or drugs that can affect employees' work is forbidden.

# Human rights

## **Human rights**

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.



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# Responsibility

One of Perstorp's three core values is responsibility, which shall pervade all the activities and decisions that the company and its personnel implement in both the short and long-term perspective. It is Perstorp's managers who have the responsibility for communicating and checking observance of the Code of Conduct. Every employee must know the principles and essence of the Code of Conduct and act in accordance with it.

## Violations of the Code of Conduct

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.

# Whistle-blowing

Reporting an action that contravenes the Code of Conduct can be done anonymously and confidentially, a response known as "whistle-blowing". Employees who have reported violations of the Code of Conduct will not, of course, be punished for this. Whistle-blowing shall only be used as a last resort. Reporting is made to the heads of the Group functions Human Resources and Legal. Employees are requested to refer to Perstorp's Code of Conduct when making contact.

How to report:

Enter the Perstorp internal portal Compass and Code of Conduct (to be found under Global links on the left of the frontpage). Click on "Whistle-blowing" at the bottom right of the area.

You can also send a letter, see address on page 15.

The principles in the Code of Conduct are mandatory and failing to follow these principles can lead to disciplinary measures.

Perstorp May 5, 2009

A handwritten signature in blue ink, consisting of stylized, connected letters that appear to read 'Bo Dankis'.

Bo Dankis,  
CEO and President

**Contact information:**

Head of Human Resources: phone +46 435 380 00

Head of Legal: phone +46 435 380 00

**Address:**

Perstorp's Code of Conduct

Head of Human Resources

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