Röhm Procurement Code of Conduct for Suppliers

I. Preamble

Röhm GmbH is aware of their social responsibility. All those involved in the procurement process as intermediaries between their own company and suppliers in each of the supply markets bear a particular responsibility towards their own company, towards customers and suppliers, towards the environment and towards society. The ethical principles spelled out in this Code of Conduct are grounded in the basic principles of the UN Global Compact (appendix), the ILO conventions, the United Nations' Universal Declaration of Human Rights, the UN Conventions on the Rights of the Child and the Convention for the Elimination of All Forms of Discrimination of Women as well as the OECD Guidelines for Multinational Companies. The following Numbers II to V constitute minimum standards and are intended to prevent situations that may call into question the integrity of the companies and their employees.

II. General Principles, Laws and Statutes

In all its business activities and decisions, the supplier and service provider of Röhm commits to respecting the laws in effect and any other applicable provisions in the countries where it is active. Business partners are to be treated fairly. Contracts are to be upheld, whereby changes in the framework of the business environment are to be taken into consideration.

III. 1. Corruption / Anti-Trust Law / Forced Labour / Child Labour

a) Corruption

In dealing with business partners (customers, suppliers) and state institutions, the interests of the company and the private interests of employees on both sides are to be kept strictly separate. Actions and (purchasing) decisions are to proceed independent of considerations which do not concern the business at hand and which involve personal interests.

Current anti-corruption criminal law is to be upheld. Among other things, the following is to be observed:

Criminal Acts in Dealings with Public Officials
The granting of personal advantages (in particular benefits in kind such as payments and loans, including the giving of smaller gifts over a longer period of time) by signing / acceding companies and their employees to public officials (such as civil servants or public employees) with the objective of gaining advantages for the signing / acceding company or oneself or for third parties, is not permitted.

Criminal Acts in Business Dealings
Personal benefits in kind in exchange for a favoured position in business dealings may not be offered, promised, granted or approved. Nor may personal benefits be demanded or accepted in dealings with business partners. The signing / acceding company must require from its employees that they will not allow any such benefits to be promised to them.
The management and employees of suppliers and service providers of Röhm are not allowed in the course of business dealings to offer, promise, demand, give or accept gifts, payments, invitations or services that are provided with the aim of influencing a business relationship in a prohibited way or with whom there is the risk of jeopardising the professional independence of the business partner. This generally does not apply to gifts and invitations that fall within the bounds of normal business practice with regard to hospitality, convention and courtesy.

Röhm GmbH can issue a binding policy with regard to the giving and receiving of gifts, invitations to business entertainment and events. This policy can specify exceptions with respect to appropriate gifts of small value and of a symbolic nature, reasonable business meals and reasonable company events as well as those of business partners (customers, suppliers).

b) Conduct vis-à-vis Competitors (Anti-trust Law)
Röhm GmbH respects fair competition and adheres to existing laws that uphold and promote competition, in particular prevailing anti-trust laws as well as laws that regulate competition. In dealing with competitors, these provisions in particular prohibit collusion and other activities aimed at influencing prices or conditions, dividing up sales territories or customers or using prohibitive means to inhibit free and open competition. Furthermore, these provisions prohibit agreements between customers and suppliers by which customers are to be enjoined in their freedom to autonomously determine their pricing and miscellaneous conditions when reselling (determination of pricing and conditions).

c) Forced Labour
Röhm GmbH rejects every form of forced labour.

d) Child Labour
Röhm GmbH respects the regulations of the United Nations on human rights and children’s rights. In particular, commits to complying with the Convention concerning the minimum age for admission to employment (Convention No 138 of the International Labour Organisation) as well as the Convention concerning the prohibition and immediate action for the elimination of the worst forms of child labour (Convention No 182 of the International Labour Organisation). If a national regulation concerning child labour provides for stricter measures, these shall have precedence.

III 2. Principles promoting Social Responsibility

a) Human Rights
Röhm GmbH respects and supports compliance of internationally recognised human rights.

b) Discrimination
Röhm GmbH commits, within the scope of prevailing laws and statutes, to opposing all forms of discrimination. This applies in particular to unfair treatment on the basis of gender, race, disability, ethnic or cultural origin, religion or world view, age or sexual orientation.

c) Health Protection
Röhm GmbH guarantees protection of workers in the workplace and workplace health protection within the scope of national provisions. The signing / acceding company supports continuous advancement of this process towards improvement of the working environment.
d) Fair Working Conditions
Röhm GmbH respects its employees' right of association within the bounds of prevailing laws and statutes.

e) Environmental Protection
Röhm GmbH is committed to sustainably upholding the goal of environmental protection for current and future generations. Laws passed for the protection of the environment are to be obeyed.

f) Company Secrets
Röhm GmbH commits its employees to safeguarding trade and company secrets. It is forbidden to divulge confidential information, as well as confidential documents, to third parties without proper authorisation or to provide other forms of access to them, unless proper authorisation has been granted or it has to do with publicly available information.

IV. Suppliers
Röhm GmbH is expecting from its suppliers and service providers to fulfill the principles of this Code of Conduct – the Section III 1 and 2 to its immediate suppliers, to promote the compliance of the content to the best of its ability among its suppliers and to require them to also adhere to this Code of Conduct.
APPENDIX

United Nations Global Compact

The Principles of the Global Compact are based on a universal consensus and are derived from:
- The Universal Declaration of Human Rights
- The International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

Human Rights
Principle 1: Businesses should support and respect, within their sphere of influence, the protection of internationally proclaimed human rights; and…
Principle 2: make sure that they are not complicit in human rights abuses.

Labour Standards
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; …
Principle 4: the elimination of all forms of forced and compulsory labour;…
Principle 5: the effective abolition of child labour; and…

Environmental Protection
Principle 7: Businesses should support a precautionary approach to environmental challenges,…
Principle 8: undertake initiatives to promote greater environmental responsibility; and…
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Fighting Corruption
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Source: The Code of Conduct of Association Materials Management, Purchasing and Logistics (AMMPL or “BME” in German)

Röhm GmbH

Christopher Schindler
Procurement CPO

Werner F. Gurtner
Procurement Regional Head USA

Page 4/4  Version June 22