

Hempel Business Partner Code of Conduct

For Hempel's suppliers, joint venture partners, toll manufacturers, distributors, agents, consultants and other business partners



Introduction

1.1. Hempel values and expectations

Hempel is a global company with strong values and has many business partners spread across the globe. We are renowned for delivering trusted solutions and, as part of that trust, we believe it is essential that all our business partners operate in accordance with and contribute to the same or similar high ethical standards and integrity as we do.

The Hempel Business Partner Code of Conduct sets out our expectations to you, our business partners. It takes into account the UN Global Compact's ten fundamental principles within the areas of human rights, labour rights, the environment and anti-corruption. Hempel is a signatory to the UN Global Compact and has committed to implement the principles as part of our core operations.

As a Hempel business partner, you are expected to work towards implementing the standards laid out in the Hempel Business Partner Code of Conduct within your own business, if you have not already done so, and should require the same from your own business partners.

1.2. Scope and compliance

This Business Partner Code of Conduct is applicable to all of our business partners, irrespective of the country and territory they operate in. If local laws, regulations or standards are stricter than the principles and requirements set out here, we expect you to adhere to the stricter requirements.

1.3. Legal compliance

In addition to adherence to the principles set out in this Hempel Business Partner Code of Conduct, we expect you to respect and comply with all applicable laws and regulations, and prevailing industry standards. In the event that there is a conflict between such applicable laws, regulations and standards on the one hand and the principles set out here on the other, we require you to inform us so that we can work together to decide on an appropriate joint approach to the issue.

The principles of the Hempel Business Partner Code of Conduct

2.1. Health and safety

At Hempel, health and safety in our workplaces is a priority and we expect nothing less from our business partners. You must follow applicable safety rules and regulations, provide a safe and healthy work environment, and strive to promote an accident-free workplace.



If you handle or use dangerous goods, you must ensure that all risks associated with the handling or use of dangerous goods and hazardous substances are safely controlled and managed.

In particular,

- safe work procedures (SWPs) specific to the handling of dangerous goods and hazardous substances must be implemented and SWP guidelines must be available in the workplace
- safety information, including Safety Data Sheets must be readily available
- appropriate training and Personal Protective Equipment must be provided to employees who may be exposed to dangerous goods and hazardous substances.

2.2. Bribery and corruption

Hempel is committed to honest and fair business dealings, free from bribery, corruption, extortion or fraud. As a Hempel business partner, you are required to conduct business in a fair, transparent and legal manner and not engage in bribery in any form. This includes giving, requesting or receiving bribes, as well as engaging in improper payments or corrupt practices.

Courtesies extended to Hempel employees or their close relatives must be reasonable in scope, value and frequency, and must reflect ordinary local business customs. Cash or equivalents, such as gift cards, can never be offered to Hempel employees.



2.3. Political donations, charitable contributions and sponsorships

At Hempel, we avoid supporting any political organisations, and we never use charitable or commercial sponsorships to improperly influence decision-makers. Similarly, we expect that our business partners will not provide any political support, make charitable donations or offer sponsorships with a view to gaining an unfair advantage or a view to influence decision-making in connection with any transaction with Hempel.

2.4. Conflicts of interest

At Hempel, business is conducted in an objective manner. We expect our business partners to be transparent in their business decisions and transactions with us to prevent the possibility of conflicts of interest arising. You are expected to disclose to Hempel if any Hempel employee directly involved in our business with you or a close relative of such a Hempel employee has or potentially has a substantial economic interest in your business.

2.5. Fair competition

Hempel is committed to the principle of fair, open and unrestricted competition, and we conduct our business in a fair and legal way. Our business partners are required to comply with all applicable competition and antitrust laws and must not engage in anticompetitive practices, such as price-fixing and sharing, market sharing, output limitation, bid-rigging, etc.



2.6. Company assets, intellectual property and confidential information

Hempel strives to safeguard company assets, intellectual property rights and confidential information, all of which are of immense value to our company and our business partners. Similarly, we expect you to exercise due care and attention and not to disclose any confidential Hempel information to unauthorised third parties. We further expect you to protect Hempel company assets and comply with all relevant laws regarding intellectual property rights. As a Hempel business partner, you should never knowingly infringe the intellectual property of Hempel or others.

2.7. Books and record keeping

It is essential for Hempel to maintain accurate and complete books and accounting records. As our business partner, you must also comply with all relevant laws and regulations, and reporting and accounting guidelines in respect of your business at all times.



2.8. International sanctions and export control

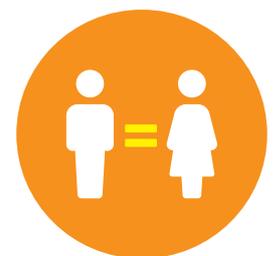
Hempel complies with applicable international sanctions and export control restrictions – including those imposed or introduced from time to time by either the USA, UK or EU – and adopts appropriate measures to implement such compliance in practice. Our business partners must also observe and adhere to the relevant applicable international sanctions and export control.

2.9. Anti-money laundering

Hempel does not engage in or accept any involvement with money laundering. As our business partner, you must have proper internal control systems in place to monitor your business for any indications of money laundering activities and thereby minimise the risk of being involved in such practices.

2.10. Equal opportunities

Hempel believes that diversity and inclusion are key to its global success. We expect our business partners to provide an inclusive work environment, where everyone (regardless of age, gender, colour, race, disability, religion, belief, nationality, social status or any other status recognised by international law) is treated with respect. You are also expected to work towards eliminating any form of discrimination and harassment in the workplace.





2.11. Rights at work

Hempel respects employees' rights at work. Our business partners are required to support their employees' right to freedom of association and must recognise their right to be a member of a union or other collective bargaining group. Employees must be compensated with fair pay for their work, as well as benefit from reasonable work breaks and paid holidays in accordance with local law.

2.12. Child labour

Hempel never employs child labour, either directly or through subcontractors or other business partners. You must therefore ensure that you do not use child labour, either at your own sites or at your suppliers' sites. Unless stricter national laws apply, the minimum age for employees is 15 years. In rare cases, and if national law permits, children under the age of 15 years are allowed to carry out light work that does not interfere with the children's schooling. Employees under the age of 18 are not allowed to work during night and should not work with dangerous goods or hazardous substances.

2.13. Forced labour

Hempel expects that its business partners allow their employees freedom of movement during their employment and that personal documentation such as passports and/or payment of compensation are not retained or withheld to prevent such freedom of movement, thereby giving rise to forced or involuntary labour.

2.14. The environment

At Hempel, we care about the environment and support the protection of the environment through meaningful action. As a Hempel business partner, you should always comply with applicable environmental legislation and strive to minimise your environmental impact. This includes identifying those areas that have the most significant environmental impact and continuously looking for improvements in those areas (e.g. waste reduction, minimisation of energy consumption, recycling).



2.15. Reporting of concerns

The Hempel Ethics Hotline (hempel.ethicspoint.com) is available to you to report serious and sensitive issues relating to your business dealings with Hempel directly to the Hempel Ethics Committee. Upon receipt of a report, a prompt, objective and independent investigation of the issue will be conducted, respecting the confidentiality of the persons involved, while protecting Hempel's legal interests.

You are encouraged to provide means for your employees to report concerns or potentially unlawful activities in the workplace to management, and to treat such reports in a confidential manner and take corrective action if needed.

The way forward: Transparency and collaboration

3.1. How will adherence to this code affect your relationship with Hempel?

The Hempel Business Partner Code of Conduct is applicable and mandatory to all of our business partners. Our choice to work with you as a business partner is not only based on the quality, price and professionalism of your services or products; it is also based on your respect for our commitment to conduct business in an ethical, environmental and socially responsible manner in accordance with the Hempel Business Partner Code of Conduct.



3.2. Assessment and audit

We may request that certain business partners work with us openly and transparently to assess whether they are in compliance with the Hempel Business Partner Code of Conduct. In such cases, any such assessment may consist of an initial collection of code-related information by Hempel, collected through dialogue with you. After this, you may be required to provide further information through a more detailed self-assessment questionnaire. In certain circumstances, we may request to perform an on-site audit and, if required, work with you to introduce an improvement programme based on the audit findings.

3.3. Possible actions post-audit or on discovery of non-compliance

In the event that Hempel becomes aware – either through an audit or otherwise – of serious or multiple failures to comply with the Hempel Business Partner Code of Conduct by a business partner, we expect the business partner to engage in a constructive dialogue around how to develop and implement an appropriate corrective action plan. In the event of continued repeated or serious breaches of the code, we may terminate our relationship with the business partner, or exclude them from undertaking further business with Hempel until we are satisfied that sufficient progress has been made to remedy the breaches.

3.4. Legal documentation

Hempel may require that business partners agree to the addition of reasonable legally binding clauses in the contractual documents between them to ensure the business partner follows the principles, and procedures where relevant, set out in the Hempel Business Partner Code of Conduct.



3.5. Questions and suggestions

If you have any questions or suggestions about any aspect of the Hempel Business Partner Code of Conduct, please get in touch with your Hempel contact or contact the Hempel Compliance team via compliancehelp@hempel.com

Hempel A/S

Lundtoftegårdsvej 91
DK-2800 Kgs. Lyngby
Denmark

Tel: +45 4593 3800
Fax: +45 4588 5518
Email: hempel@hempel.com