

CODE OF CONDUCT

Message from our Managing Director

At Poeton Industries our strategy focuses on customer, innovation and profitable growth to ensure a sustainable business. This includes being a good corporate citizen in our dealings with customers, suppliers, employees and wider society, wherever we do business around the world.

High standards of corporate conduct, ethical behaviour and compliance are critical for Poeton Industries and our suppliers – our mutual success depends upon it.

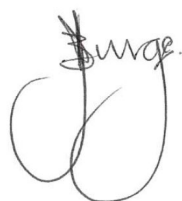
The Poeton Industries Board and I have made it clear that Poeton Industries will not tolerate improper business conduct of any sort. Our zero-tolerance approach applies to our own people, and to our suppliers. To ensure you are clear what is expected, we have revised our Global Supplier Code of Conduct.

Our Global Supplier Code of Conduct sets out the behaviours, practices and standards we expect to see demonstrated and complied with, all of which are based on our own Poeton Industries Global Code of Conduct, policies and standards.

We expect our suppliers to be ethical, responsible and to fully comply with all applicable laws and regulations.

At Poeton Industries, we have a simple brand promise and set of values – we aim to ‘deliver excellence as surface treatment partner of choice’. We need your support as our suppliers, and that of our broader supply chain, to ensure that together we are able to live up to that promise and continue to be successful.

Thank you

A handwritten signature in black ink, appearing to read 'D. Burge', with a stylized flourish below the name.

D. Burge
24/04/2019

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1 Introduction

We set high standards for the way we do business. This helps our customers know that we can be 'deliver excellence as surface treatment partner of choice'.

This Global Supplier Code of Conduct (the Code) sets out minimum standards of behaviour and practices we require from our suppliers. We expect our suppliers to adhere to this Code, in addition to the provisions of any commercial terms agreed between Poeton Industries Ltd and the supplier.

In the event that local law, regulation or rules impose stricter requirements than this Code, suppliers must comply with those requirements.

1.1 Purpose

The Code specifies the minimum standards of behaviour Poeton Industries requires of our suppliers. and are mandated through the Poeton Industries General Conditions of Purchase.

The purpose of the Code is to formally communicate the Poeton Industries requirements and expectations to the global supply chain; it is freely available to view and can be downloaded from the Poeton Industries website www.Poeton.co.uk

Suppliers are required to adhere and comply with the principles set out in this document. For more information see section 5 – Supplier commitment.

1.2 Content, scope and applicability

The Code is applicable to all suppliers and partners who supply product or services related to Poeton Industries contracts or purchase orders.

Suppliers are expected to cascade these principles to their own suppliers in order to ensure alignment across the supply chain. This may involve the establishment of supply chain management processes that integrate the requirements of this Code.

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2 Operate safely

All suppliers must make proper provision for the health, safety and welfare of their employees, contractors, visitors and those in the community who may be affected by their operations. We expect suppliers to comply with legal and industry requirements and seek to implement best practice in their industries.

2.1 Health, safety and environment

Our principles:	What this means for our suppliers:
<p>Operating safely is a priority for Poeton. Our vision is to create a working environment with zero incidents, injuries, work-related ill-health or incidents.</p> <p>Our HS&E goals are to:</p> <ul style="list-style-type: none"> • Create a safe and healthy work environment with no injuries, no work related ill-health, and no environmental incidents. • Prevent or minimise the negative impacts of our coatings and services 	<p>We expect our suppliers to take personal and collective responsibility to help fulfil our HSE goals. Suppliers are expected to be committed to managing HSE risks and to proactively protecting the health, safety and the welfare of their employees, contractors, visitors and those in the community who may be affected by their activities. Suppliers must also adopt procedures and practices to minimise any negative impacts on the environment.</p>

2.2 Responsible sourcing

Our principles:	What this means for our suppliers:
<p>Poeton is committed to the responsible sourcing of materials.</p>	<p>Suppliers must provide Poeton with products made from materials, including constituent minerals, that are sourced responsibly and verified as ‘conflict free’ in accordance with the OECD guidelines. Suppliers must provide Poeton with supporting data on their supply chain of minerals when requested. In the event that the material ‘chain of custody’ supplied is “indeterminable” or otherwise unknown, the supplier must commit to either attaining the appropriate certifications, or to the phase out of that material.</p>

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3 Trusted to deliver excellence

We treat all our customers, suppliers and partners with fairness and honesty. We expect suppliers to demonstrate these same behaviours and will only engage with suppliers and partners whose values and behaviours meet high ethical standards.

3.1 Working with customers, suppliers and partners

Our principles:	What this means for our suppliers:
<p>We compete fairly and with integrity on sales campaigns and bids for external research funding.</p> <p>When seeking new suppliers and partners we conduct thorough due diligence. We take steps to only choose suppliers and partners whose values and business behaviour meet high ethical standards.</p> <p>We support communities in areas of education and skills, environment, social investment and arts, culture and heritage. Our investment can include financial, time or in-kind support.</p>	<p>Suppliers must only engage with employees, agents, intermediaries, consultants, representatives, distributors, teaming partners, contractors, suppliers, consortia and joint venture partners who meet ours and your standards with regard to reputation and conduct.</p> <p>Suppliers must listen carefully to requests or concerns from the community and address them appropriately. You are encouraged to seek similar opportunities in your local communities.</p>

3.2 Conflicts of interest

Our principles:	What this means for our suppliers:
<p>We avoid any situation where conflicts of interest might be seen as influencing our business decisions or behaviour, or might stop us from acting in the best interests of Poeton. If we believe there is, or might be, a conflict of interest, we speak up.</p>	<p>Suppliers must conduct your business free from conflicts of interest or mitigate appropriately any such conflicts if they arise.</p>

3.3 Accurate business records

Our principles:	What this means for our suppliers:
<p>We maintain accurate and complete records of our business transactions.</p>	<p>Suppliers must maintain accurate and complete records of your business transactions.</p>

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3.4 Modern slavery and human rights

Our principles:	What this means for our suppliers:
We do not accept child labour or any practice that inhibits the development of children.	Suppliers must never use or support practices that inhibit the development of children. Suppliers must not employ anyone under the age of 15 years or, where it is higher, the mandatory national school leaving age.
We believe that all employment should be freely chosen.	Suppliers must refrain from using any form of involuntary labour including forced, prison or debt-bonded labour.

3.5 Fair pay and benefits

Our principles:	What this means for our suppliers:
We recognise the need to reward fairly for skill, contribution and performance.	<p>The supplier must ensure that all wages meet local minimum wage requirements.</p> <p>Any overtime shall be voluntary and workers must receive adequate compensation for any overtime worked.</p> <p>Standard working hours must not exceed legal limits and over time must not exceed the maximum allowed by law.</p>

3.6 Diversity and inclusion

Our principles:	What this means for our suppliers:
We treat each other openly, honestly and courteously.	Suppliers are expected to promote equal opportunities for all and value diversity.
We do not tolerate bullying, harassment or unlawful discrimination of any kind.	Harassment or discrimination towards employees, including all forms of physical, verbal or psychological abuse must not be tolerated.

3.7 Collective bargaining

Our principles:	What this means for our suppliers:
The decision on whether to join a trade union or not is an individual choice.	Suppliers are expected to respect this choice and the relevant processes and laws on collective representation and consultation where applicable.

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4 Acting with integrity

High standards of ethical behaviour and compliance with laws and regulations are essential to protecting the reputation and long-term success of our business. We expect suppliers to behave ethically, to comply with legal and industry requirements and seek to implement best practice in their industries.

4.1 Anti-bribery and corruption

Our principles:	What this means for our suppliers:
<p>We do not tolerate bribery and corruption in any form.</p> <p>We never offer, give or accept anything of value that is, or could be seen as, improperly influencing business decisions.</p>	<p>Suppliers must conduct your business honestly, fairly and free from any bribery or corruption.</p> <p>Suppliers must only offer gifts or hospitality in an open and transparent way and your gifts or hospitality must never be illegal. Where gifts or hospitality are offered, these should not be intended or interpreted as an attempt to improperly influence business decisions.</p> <p>Suppliers must not offer or make facilitation payments.</p>

4.2 Safeguarding our resources and protecting confidential information

Our principles:	What this means for our suppliers:
<p>Our technologies, intellectual property and commercially sensitive and confidential information are vital assets of our business and we protect them from unauthorised access, use and disclosure.</p> <p>We protect the confidential information we hold, including data from customers, suppliers, joint ventures and other parties. We only share and use it internally to the extent that we are permitted to, and we never share it externally without authorisation.</p>	<p>Suppliers must safeguard our resources and information and ensure that all data and documents are kept secure.</p> <p>Suppliers must keep confidential information confidential and never use information which you should not have.</p> <p>Suppliers must never offer or supply information which Rolls-Royce should not have. Suppliers must use appropriate nondisclosure or confidentiality agreements to protect our confidential and proprietary information.</p>

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We do not try to find or use the information of other people or organisations, including competitors, that we know is confidential or restricted.

4.3 Export controls and import obligations

Our principles:

We are committed to compliance with import and export laws, regulations and procedures that apply to our operations globally.

What this means for our suppliers:

Suppliers must comply with all relevant export control legislations when exporting goods or technology, and shall plan for and obtain all necessary authorisations and permits to ensure timely and compliant delivery of their products.

Where an authorisation or permit so requires, suppliers shall also have in place all the necessary processes to manage access to export controlled goods or technology only by staff or other entities authorised to have such access. Where applicable, this requirement shall be flowed down to any sub-tier suppliers.

4.4 Competitive behaviour and antitrust

Our principles:

We conduct our business in compliance with competition (antitrust) laws.

What this means for our suppliers:

Suppliers must comply with competition (antitrust) laws in the countries where they operate or sell product. Suppliers must not co-ordinate market conduct with competitors or their own suppliers in a way that improperly restricts competition.

4.5 Preventing the facilitation of tax evasion

Our principles:

We will not knowingly help our customers, suppliers or anyone else we work with to evade tax i.e. fraudulently under pay or not pay tax.

What this means for our suppliers:

Suppliers must not ask us to do anything which helps them to evade tax.

Suppliers must only raise invoices and other contractual documents which are true to the agreed commercial situation and which do not include any false information.

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	Suppliers must not, when acting on our behalf, knowingly help others to evade tax.
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4.6 Lobbying and political support

Our principles:	What this means for our suppliers:
We are committed to undertaking any lobbying activities in compliance with all applicable laws, and to behaving ethically in all our interactions with governments, agencies and their representatives.	Suppliers must undertake any and all lobbying activities in compliance with all applicable laws. Suppliers are expected to behave ethically in all interactions with governments, their agencies and representatives.

5 Supplier commitment

5.1 Communication

Suppliers must make the Poeton Global Supplier Code of Conduct available to employees in the business language of the company. Suppliers are encouraged to make their employees aware of the Poeton Ethics Line, as detailed below

5.2 Code adherence

Suppliers must conform to all aspects of the Poeton Global Supplier Code of Conduct, as mandated through the Poeton General Conditions of Purchase. Poeton reserves the right to audit against compliance to this Supplier Code of Conduct. Suppliers are expected to ensure that documentation is kept that demonstrates compliance with this Code; Poeton may request access to that documentation at any time. Poeton may also request access to supplier sites for audit purposes. Poeton reserves the right to terminate contracts in the event of material breach of the principles set out in the Code. Suppliers are required to disseminate these expectations throughout their own supply chain and incorporate the principles set out in this document as part of routine sustainable business practices.

5.3 Supplier ethical concerns

We speak up about anything that concerns us or that is not in line with the principles set out in this Code without fear of retaliation and we expect our suppliers to do the same. Retaliation against anyone who speaks up is not acceptable. Suppliers can raise questions or concerns by speaking to your Poeton contact.