



Code of Conduct for Suppliers of Prefere Resins Group

Prefere Resins is the European leader in the production of individual and technically innovative phenolic and amino resins. Our resins are **key enablers** in the European construction sector, acting as essential components for the manufacture of **enhanced construction materials** as the industry adapts alongside the EU “fit for 55” legislation to achieve its legally binding target of a 55% reduction in emissions by 2030.

Headquartered in Erkner, in the German state of Brandenburg we operate three divisions – Phenolics, Melamines and Paraform. Phenolics, with its geographical focus on Central, Eastern Europe and the Nordic region, is strongly exposed to insulation and engineered wood industries, helping its customers play a strong role in transitioning to more sustainable construction materials. Melamines is the #2 global supplier of automotive coating resins, serving customers from U.S. and European facilities. Paraform has leading market positions in formaldehyde derivatives and enjoys a unique backwards integrated production process.

Prefere is committed to complying with all applicable laws and regulations, to upholding human rights and labour standards and to protecting the environment – in its own operations as well as in relation to its business partners and other external stakeholders. Prefere expects its suppliers and third-party intermediaries (e.g. agents, consultants, advisers, joint venture partners, local partners or distributors acting on behalf of Prefere, and other external stakeholders), hereinafter together referred to as “**Suppliers**”, to share this commitment.

This Supplier Code of Conduct defines the basic requirements to meet Prefere’s standards.

Legal compliance and integrity:

Comply with all applicable laws and regulations, in particular:

- Prohibition of corruption, bribery and money laundering: Do not engage in or tolerate any form of corruption or bribery, in particular any payment, “kickback” or other form of benefit conferred for the purpose of influencing decision making, in particular:
 - Under no circumstances directly or indirectly receive, solicit or accept a bribe from any party.
 - Under no circumstances directly or indirectly pay, give, offer or approve bribes to government officials or to private individuals.
 - Refrain from any activity that could even create the appearance of bribery, corruption, money laundering or other impropriety.
 - Maintain adequate procedures to prevent corruption, bribery and money laundering in its operations.
 - Inform Prefere immediately if any corruption, bribery or money laundering is observed among Prefere employees (“Whistleblowing process”).

- Competition and antitrust: Conduct business in compliance with all applicable competition/ antitrust laws and regulations.
- Conflict of interest: Avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest in business dealings with Prefere or third parties.
- Confidentiality: Keep Prefere's business, financial and technical data as well as business correspondence confidential; do not misappropriate Prefere's or other companies' tangible or intellectual property.
 - Respect the privacy and confidential information of all your employees and business partners as well as protect data and intellectual property from misuse.
- Abide by all applicable national and international trade laws and regulations including but not limited to antitrust, trade controls, and sanction regimes.
- Consider business integrity as the basis of business relationships.
- Implement an appropriate Compliance Management System, which facilitates compliance with applicable laws, regulations, and standards.

Environmental protection:

- Comply with all applicable laws and regulations and international standards relating to the protection and preservation of the environment.
- Promote sustainable consumption and the safe and environmentally sound development, manufacturing, transport, use and disposal of your products.
- Ensure by using appropriate management systems that product quality and safety meet the applicable requirements.
- Protect your employees' and neighbors' life and health, as well as the public at large against hazards inherent in your processes and products.
- Use resources efficiently, apply energy-efficient and environmentally friendly technologies and reduce waste, as well as emissions to air, water, and soil.
- Strive to minimize your negative impact on biodiversity (including deforestation), climate change and water scarcity.

Health and safety:

- Comply with all applicable laws and regulations on occupational health and working safety.
- Commit to continuous improvements of occupational health and safety.
- Use or set up a reasonable occupational health and safety management system.

Human rights and labour standards:

- No forced labour: non-tolerance of any form of forced labour, including forced prison labour, indentured labour, bonded labour, slave labour or any form of human trafficking.
- No child labour: Comply with minimum working age requirements prescribed by national laws and international agreements.
- Freedom of association and collective bargaining: Recognize, as far as legally permitted, the right of free association and collective bargaining of employees.
- Non-discrimination and fairness: Apply the principles of equal opportunity and fair treatment. Non-tolerance of any form of discrimination or verbal or physical harassment of employees.
- Grievance mechanism: Enable your employees and other stakeholders to report concerns or potentially unlawful practices at the workplace.
- Wages and benefits: Provide wages and benefits as prescribed by the respective national laws, including minimum wage legislation, and in line with existing practice in the industry and local labour markets.
- Working time: Comply with the applicable law and sector-specific labour regulations concerning working time, including overtime laws.

Supply chain:

- Undertake reasonable efforts to encourage your own suppliers and sub-contractors to comply with the principles of this Supplier Code of Conduct.

You may acknowledge the principles stated above or demonstrate your commitment via compliance with your own code of conduct or company policies that embrace these standards. Prefere reserves the right to conduct audits or assessments to ensure your compliance and will take appropriate steps regarding our relationship with you if there is a reason for concern. Prefere reserves the right to discontinue any relationship for non-adherence to international principles, failure to correct violations, or displaying patterns of non-compliance with these standards.

Should you have any concerns about illegal or improper conduct, please contact the responsible Prefere Whistleblower Hotline, which can be found on Prefere's website.

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