



**PETRONAS**

# Supplier code of conduct

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A Subsidiary of PETRONAS Chemicals Group



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# PETRONAS Cultural Beliefs

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As subsidiaries to PCG and PETRONAS, Perstorp and BRB have adopted PETRONAS Cultural Beliefs. PETRONAS Cultural Beliefs apply to all companies within PCG; all leaders and all employees. To deliver the Moving Forward Together 50.30.0, we must always see things from the customer lens. We need to apply our innovativeness and be enterprising to seize opportunities to scale solutions in creating value. Our people must openly share their views and have the courage and conviction to take action in order to progress with pace.

## Customer focused

**I make customers successful by delivering sustainable solutions.**

We see our customers as partners and obsessively prioritize what they value most. We continuously seek feedback from our customers and rapidly adapt to their feedback. We work hard to earn and keep customers' trust through continuous collaboration.

## Innovate now

**Focused innovation in everything I do, with agility, passion and excellence.**

We test, experiment and continuously adapt based on what we learn. We create a safe environment that celebrates learning. We are bold and fearless to challenge the status quo and embrace new solutions.

## Be enterprising

**My entrepreneurship is essential to creating value and progress.  
Everything is possible on our value creation journey.**

We act as an owner by understanding the big picture and by thinking long-term. We prioritize improvements and opportunities with biggest impact and value to the greater PETRONAS. We work as a team to deliver PETRONAS' goals and never say "that's not my job".

## Speak up

**I am encouraged to speak up and know I will be listened to.**

We seek, give and act positively on feedback, to make a difference. We recognize our own biases and blind spots which limit our solutions. We create psychological safety, i.e. welcome and respect every voice at the table, listening more to others to gain different ideas and perspective to enrich our solutions.

## Courage to act

**I understand the journey, I take ownership and I don't fear failure.**

We break down complex problems into smaller pieces. We focus on progress over perfection and take calculated risks in delivering solutions. We trust and empower each other.

## The foundation for the Cultural Beliefs: Care

**I lead with heart and take action for the right reasons.**

Care is a foundational belief and an emotional driver. Caring is not about statistics, it is at the core of everything we do. It is about safety, health and life, 365 days a year. For everyone to come to work and go home again healthy and safe – for PCG, for all, for the loved ones at home as well as for customers, suppliers and other stakeholders.

# 1. Business principles

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## a. Introduction

At the Specialty Chemicals division (“**PCG SC**”) of PETRONAS Chemicals Group Berhad (PCG), comprising all companies within the Perstorp and BRB Group, we believe that sustainable success is built on a foundation of strong cultural beliefs. Our core values, together with the overall belief **Care**, are: **Customer Focused, Innovate Now, Be Enterprising, Speak Up and Courage To Act**. These define how we operate and interact with all stakeholders. These values guide our business practices and are fully embedded in our Code of Conduct and Business Ethics (CoBE), which can be accessed through the following links:

Perstorp’s version: [https://www.perstorp.com/en/about/sustainability/care/code\\_of\\_conduct](https://www.perstorp.com/en/about/sustainability/care/code_of_conduct)

BRB’s version: <https://www.brb-international.com/silicones/corporate/code-of-conduct>

We expect our suppliers, contractors, business partners, and joint venture participants (collectively “**Suppliers**”) to share and uphold these values through responsible and ethical conduct in all business dealings, see more in section 2.

## b. Legal & ethical business practices

- Ensure all business practices are free from corruption, bribery, extortion, and other forms of unethical behavior. Suppliers must comply with the Anti-Bribery and Corruption guidelines, attached as section 3.
- Comply with all applicable anti-trust and competition laws.
- Prevent all forms of money laundering and competition laws.
- Accurately and transparently record all business transactions in compliance with legal and fiscal obligations.
- Avoid and disclose any potential or actual conflicts of interest involving PCG SC.

## c. Human rights & labor standards

- Uphold human rights and ensure fair treatment of all employees in accordance with applicable laws, international standards, and the UN Global Compact principles.
- Prohibit all forms of harassment, forced labor, and child labor.
- Ensure that employment decisions (hiring, promotion, compensation) are based solely on merit and suitability for the role.

## d. Health, safety, & environment

- Maintain robust systems to ensure high standards of occupational health, safety, and environment protection (e.g., ISO 9001:2015 and ISO 14001 certification).
- Operate in compliance with all relevant environmental regulations and strive to minimize environmental impact through sustainable practices.

## e. Regulatory compliance & product safety

- Comply with all applicable laws and international trade regulations, including but not limited to sanctions, export control laws, and customs regulations.
- Confirm that neither the Supplier, its affiliates, nor their directors or officers are designated under any economic or trade sanctions regime.
- Suppliers shall ensure that all products and substances supplied comply with relevant and applicable laws and regulations in the jurisdictions where they operate and where the products are sold to. This includes, but is not limited to, compliance with the following when applicable:
  - REACH (EC No. 1907/2006), including the ECHA Candidate List of substances of very high concern, and CLP Regulation (EC No. 1272/2008);
  - EU Packaging and Packaging Waste Directive (94/62/EC), its national implementations, and any subsequent or replacing legislation, including the Packaging and Packaging Waste Regulation (PPWR);
  - Commission Decision 97/129/EC regarding packaging materials identification, and any subsequent or replacing legislation;
  - Conflict minerals regulations under the U.S. SEC Conflict Minerals Rule.

## f. Responsible sourcing & due diligence

- Implement measures to ensure responsible sourcing practices, especially regarding human rights and environmental risks.
- Comply with the Due Diligence Instruction for Suppliers, provided in section 4.
- Immediately inform PCG SC of any known or suspected violations of this Supplier Code of Conduct.

## g. Reporting concerns & whistleblowing

If you experience or suspect misconduct in a context involving PCG SC, including unethical or illegal behavior, we encourage you to report any such known or suspected misconduct. Whistleblowing channels are available for Suppliers to raise concerns:

- If related to a Perstorp company, please report to:  
whistleblowing@perstorp.com  
*This channel is monitored by the Head of Legal and the Head of People & Culture, and may be accessed by the IT department. While the identity of the whistleblower may be known to these recipients, it will not be shared with others within PCG SC.*
- If related to a BRB company, please report to:  
speakup@brbbv.com  
*This is an external and independent whistleblowing service that ensures protection of whistleblower identity.*

PCG SC prohibits retaliation against any Supplier or individual who, in good faith, reports a concern or participates in an investigation.

## 2. Core values

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### a. OECD

In the spirit of the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, PCG SC are committed to conducting business ethically, responsibly, and sustainably. We expect all our Suppliers to share our commitment, guided by our cultural beliefs of Care, Customer Focused, Innovate Now, Be Enterprising, Speak Up, and Courage to Act.

### b. Ethical business conduct

#### Compliance

Suppliers must comply with all applicable laws, regulations, and international standards, including those related to anti-corruption, competition, data protection, and trade compliance.

#### Integrity and transparency

Suppliers must act with honesty, transparency, and fairness in all dealings. Bribery, corruption, fraud, and any form of unethical conduct are strictly prohibited.

#### Accurate record-keeping

All financial records related to PCG SC business must be accurate, complete, and reflect the true nature of transactions.

#### Fair competition

Suppliers must not engage in anti-competitive practices such as price-fixing, market sharing, or bid-rigging.

#### Conflicts of interest

Suppliers must avoid situations where personal interest could conflict with their professional responsibilities toward PCG SC.

#### Confidentiality

Suppliers must protect all confidential information related to PCG SC, our products, operations, and customers.

### c. Respect for human & labour rights

- Respect the dignity, privacy, and rights of all individuals.
- Prohibit child labor and ensure legal minimum age requirements are met.
- Prohibit forced, bonded, or involuntary labor.
- Respect freedom of association and collective bargaining.
- Ensure a workplace free from discrimination, harassment, or abuse.
- Provide fair wages and safe, healthy working conditions.

### d. Environmental responsibility

- Manage operations responsibly to minimize environmental impact.
- Apply the precautionary approach to avoid hazardous materials and practices.
- Comply with all applicable environmental laws and regulations.

# 3. Anti-bribery and corruption guidelines

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## a. Zero tolerance for bribery and corruption

PCG SC has a strict zero-tolerance policy against all forms of bribery and corruption. Suppliers must never engage in or tolerate bribery, facilitation payments, kickbacks, or any other corrupt practices.

## b. Prohibited conduct

- Offer, promise, give, request, or accept anything of value to improperly influence a business decision.
- Conceal improper payments as legitimate business expenses (e.g., consultancy fees, gifts, donations).
- Offer inappropriate gifts, hospitality, or benefits to PCG SC employees or their family members.

## c. Special caution when dealing with public officials

Extra care must be taken when interacting with government officials. Any form of improper benefit to public officials is strictly prohibited.

## d. Supplier responsibilities

- Maintain effective anti-bribery policies and procedures.
- Train employees and third parties involved in work related to PCG SC.
- Keep accurate and transparent records of all transactions.
- Conduct appropriate due diligence on third parties.

## e. Reporting suspected violations

Suppliers must immediately report any suspected violation of this Supplier Code of Conduct or these Anti-Bribery and Corruption guidelines through the PCG SC whistleblowing channels. Failure to comply may result in immediate termination of the business relationship and potential legal action.

# 4. Due diligence instruction for suppliers

## a. Purpose & scope

As part of PCG SC’s commitment to responsible and sustainable business practices - and in line with the Corporate Sustainability Due Diligence Directive (CSDDD) - all Suppliers are required to align their operations with the standards outlined in this Instruction. Suppliers must comply at all times with the CSDDD, any national laws implementing the CSDDD, and this Instruction. Compliance is a fundamental condition for maintaining a business relationship with PCG SC.

## b. Human rights and environmental due diligence requirements

- Suppliers must:
- Identify, assess, and prioritize actual and potential adverse impacts on human rights and the environment.
  - Map areas where such impacts are likely to occur or be most severe.
  - Take appropriate measures to prevent, mitigate, or minimize risks, including:
    - Obtaining contractual assurances from business partners.
    - Implementing corrective action plans.
    - Making necessary operational, facility, and process adjustments.

## c. Key areas of responsibility

### 3.1 Human rights

Suppliers must prevent and address adverse impacts on civil, political, economic, social, cultural, and labor rights, including but not limited to:

EXAMPLES OF HUMAN RIGHTS	EXAMPLES OF HOW COMPANIES CAN BE INVOLVED IN NEGATIVE HUMAN RIGHTS IMPACTS
Right to life and security	Manufacture or sale of unsafe products, workplace violence or abuse.
Right to health	Industrial pollution harming workers or communities.
Right to form and join trade unions	Interfering with employees’ rights to organize.
Prohibition of forced labor	Withholding wages and restricting freedom
Protection of vulnerable groups	Displacing indigenous communities, child labor.

### 3.2 Environmental protection

Suppliers must prevent and address adverse environmental impacts, including but not limited to:

EXAMPLES OF ENVIRONMENTAL PROHIBITIONS AND OBLIGATIONS	EXAMPLES OF HOW COMPANIES CAN BE INVOLVED IN NEGATIVE IMPACTS ON THE ENVIRONMENT
Protection of biodiversity	Excessive water use disrupting ecosystems
Management of hazardous waste	Improper storage contaminating soil or groundwater
Waste management compliance	Operating facilities without permits
Protection of wetlands	Illegal discharge into wetlands
The prohibition of banned chemicals	The production or use of substances like PCB or dieldrin



#### d. Stakeholder engagement

Suppliers must engage transparently and meaningfully with stakeholders throughout the due diligence process.

#### e. Grievance & complaint mechanisms

Suppliers must establish accessible grievance mechanisms for concerns regarding adverse human rights or environmental impacts. Suppliers must promptly notify PCG SC of any serious impacts identified or suspected.

#### f. Audit verification

Suppliers must allow PCG SC and/or appointed auditors to:

- Conduct on-site audits at Supplier and subcontractor locations.
- Access documents, records, facilities, and accommodations.
- Interview workers confidentially-

Full cooperation is expected to verify compliance with this instruction.

## 5. Supplier acknowledgement and confirmation

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By signing this document, you confirm on behalf of your organization that you have read, understood, and agree to comply with the principles and requirements stated in this Supplier Code of Conduct, and as amended from time to time.

**Company** \_\_\_\_\_

**Name** \_\_\_\_\_

**Title** \_\_\_\_\_

**Date** \_\_\_\_\_

**Signature** \_\_\_\_\_



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