

MODERN SLAVERY & HUMAN TRAFFICKING POLICY STATEMENT

Prefere Resins UK (the Company) and the Prefere Resins Group are committed to carry on business respecting the applicable laws and regulations of the countries in which we operate. As set out in our global ESG Compliance Guideline and our Group's Code of Conduct, we wish to contribute to and promote good business practices, ethical responsibility, a healthy environment and respect for human rights. Thus, Prefere Resins is committed to the abolition of forced labour, slavery and human trafficking.

Policy statement

Modern slavery is a crime resulting in an abhorrent abuse of the human rights of vulnerable workers. It can take various forms, such as slavery, servitude, forced or compulsory labour and human trafficking. The Company has a zero tolerance approach to modern slavery and is committed to acting ethically and with integrity and transparency in all of its business dealings and relationships and to implementing and enforcing effective systems and controls to ensure that modern slavery and human trafficking are not taking place anywhere within either its own business or in any of its supply chains, consistent with its obligations under the Modern Slavery Act 2015. The Company also expects the same high standards from all of its suppliers, contractors and other business partners and, as part of its contracting processes, it includes specific prohibitions against the use of modern slavery, and expects that its suppliers will in turn hold their own suppliers to the same standards.

Identifying potential victims of modern slavery can be a challenge because the crime can manifest itself in many different ways. There is a spectrum of abuse and it is not always clear at what point, for example, poor working practices and lack of health and safety awareness have become instances of human trafficking, slavery or forced labour in a work environment. In addition, some suppliers may go to great lengths to hide the fact that they are using slave labour. However, the Company accepts that it has a responsibility through its due diligence processes to ensure that workers are not being exploited, that they are safe and that relevant employment, health and safety and human rights laws and standards are being adhered to, including freedom of movement and communications.

This policy applies to all individuals working for the Company or on the Company's behalf in any capacity, including employees, directors, officers, agency workers, volunteers, agents, contractors, consultants and business partners.

Responsibility for the policy

On Group level, Prefere Resins' CEO and CFO are responsible for implementing and maintaining the compliance programme. Further, Prefere Resins has appointed a Group Officer Risk & Compliance, who acts as guide and coordinator across the manufacturing sites, regions and holding company functions with respect to compliance aspects. Any employee may approach the Group Officer Risk & Compliance at any time to raise concerns, ask questions, request information or make complaints relating to compliance. If requested, concerns and complaints will be handled confidentially.

At Prefere Resins UK, the board of directors has overall responsibility for ensuring that this policy complies with the Company's legal and ethical obligations.

The UK Site Manager has day-to-day responsibility for implementing this policy, monitoring its use and effectiveness and auditing internal control systems and policies and procedures to ensure they are effective in preventing or remediating the risk of modern slavery. He is also responsible for investigating allegations of modern slavery in the Company's business or supply chains.

Line managers are responsible for ensuring that those reporting to them understand and comply with this policy. As an employee of PREFERE RESINS, you are under an obligation to read and understand the guidelines relevant for your area of practice. You are under an obligation to notify either the CEO, CFO, Group Risk & Compliance Officer or your immediate superior if you receive information showing that one or more of your colleagues act against the guidelines laid down.

Compliance

PREFERE RESINS' Code of Conduct clearly states our commitment to full compliance with all applicable laws and regulations; for example with those relating to antitrust and promoting fair competition, corporate governance, safety of our products, labour laws, the environment and human rights laws as well as in work safety. PREFERE RESINS and its employees shall respect and comply with human rights, which are based on highly accepted international declarations, such as by the United Nations (UN), the International Labour Organisation (ILO) and the Organisation for Economic Co-operation and Development (OECD). Further, PREFERE RESINS and its employees shall respect the principles of equal opportunity and treatment without regard to race, birth, gender, creed, political persuasion, social status or origin. Any kind of harassment at the work environment is strictly forbidden.

The prevention, detection and reporting of modern slavery in any part of the Company's business or supply chains, whether in the UK or abroad, is the responsibility of all those working for the Company or under the Company's control. You are required to avoid any activity that might lead to a breach of this policy.

If you believe or suspect a breach of or conflict with this policy has occurred or may occur, you must notify your line manager or report it in accordance with the Company's Disclosures in the Public Interest Policy. You are encouraged to raise concerns about any issue or suspicion of modern slavery in any part of the Company's business or supply chains as soon as possible. If you are unsure about whether a particular act, the treatment of workers or their working conditions within any of the Company's supply chains constitutes any of the various forms of modern slavery, please raise it with your line manager.

The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. The Company is committed to ensuring no one suffers any detrimental treatment or victimisation as a result of reporting in good faith their suspicion that modern slavery is or may be taking place in any part of its business or in any of its supply chains.

The relationship with our suppliers has been established over a number of years and all new suppliers have to be cleared through audits that include Modern Slavery and human trafficking compliance. As set out in our Code of Conduct for Suppliers, Prefere Resins requires that our suppliers and business partners show the same commitment 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.

Over the past year we have mitigated the risk with the following initiations;

- Pre checks for new suppliers, including embargo screenings
- New policy statements within Prefere Resins, but also via our Code of Conduct for Suppliers
- Employee awareness
- New employee starter check list

Training and communication

Regular training on this policy, and on the risk that the business faces from modern slavery in its supply chains, will be provided to staff as necessary, so that they know how to identify exploitation and modern slavery and how to report suspected cases.

The Company's zero tolerance approach to modern slavery must be communicated to all suppliers, contractors and other business partners when entering into new or renewed contracts with them.

Breach of the policy

PREFERE RESINS has issued its Group ESG Compliance Guideline and relating policies to provide an overview on existing, applicable compliance regulations as well as our methods of implementation, monitoring and enforcement. Moreover, our guideline has been implemented to give directions to all staff in order to protect the PREFERE RESINS Group from the consequences of malpractice. Any inconsistency with our compliance landscape must be identified, corrected. Every individual is responsible for performing his or her job in an honest manner. Everybody has a duty to seek advice from his or her immediate superior if there is any doubt as to correct conduct. Any employee who breaches this policy will face disciplinary action, up to and including summary dismissal for gross misconduct.

The Company may terminate its commercial relationship with suppliers, contractors and other business partners if they breach this policy and/or are found to have been involved in modern slavery.

This statement is made in pursuant of the UK Modern Slavery Act 2015 and constitutes Prefere Resins (UK) slavery and human trafficking statement for the financial year 2018.

Signed A handwritten signature in black ink, appearing to read 'Arno Knebelkamp', written over a horizontal line.

Name: Dr. Arno Knebelkamp

Title: Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Anja Plugge', written over a horizontal line.

Name: Anja Plugge

Title: Vice President Operations

A handwritten signature in blue ink, appearing to read 'David Green', written over a horizontal line.

Name: David Green

Title: Vice President Finance

Date: March 11th, 2019