

# Supplier Code of Conduct

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Ashland Global Holdings Inc.



[ashland.com](http://ashland.com) / efficacy usability allure integrity profitability™

# The Ashland Way

Ashland strives to make the world better by providing creative solutions through the application of specialty ingredients and materials.

We develop practical, innovative, and elegant solutions to complex problems in applied chemistry, always pushing the boundaries of what's possible, and advancing the competitiveness of our customers across diverse industries.

Our way is to respect, protect, and advance the people we work with, companies we serve, shareholders who invest in our future, communities we're a part of, and planet we share.

## Our Values

Our values are enduring and at the core of who we are and how we act. Let them guide you every day and pass them on to those that join us over the years.

**SAFETY** Ensure that Ashland people, places and products are safe.

**PEOPLE** Recruit, retain, and reward passionate, tenacious, solvers.

**ETHICS** Do the right thing. Always. Everywhere.

**INTEGRITY** Be open and honest. Be personally accountable. Speak up. Treat everyone with dignity and respect.

**PARTNERSHIP** Be a collaborative and proactive partner to customers and colleagues.

**PASSION** Committed to win. Take shared pride in our achievements. Celebrate success.

**FORESIGHT** Consider the sustainability and long-term implications of our actions. Plan for contingencies and invest in the future.

## Supplier Code of Conduct

Ashland's Supplier Code of Conduct outlines what Ashland requires from you as a supplier with respect to labor and employment rights, environmental health and safety, business ethics and social responsibility, and global trade practices. As a supplier, you must adhere to this Code of Conduct and operate in full compliance with the laws and regulations of all countries within which you operate. When local laws and regulations are less restrictive than this Code of Conduct, you must adhere to Ashland's principles. Failure to comply with internationally recognized standards, and the standards set forth in this Supplier Code of Conduct may result in the termination of your contract and relationship with Ashland.

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# Ethics and Social Responsibility

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In conducting business, Ashland acts with integrity and honesty and always maintains the highest standards for business responsibility in accordance with laws and ethical principles. Ashland complies with the Securities and Exchange Commission and all anti-corruption laws including the U.S. Foreign Corrupt Practices Act. As a supplier, you must adhere to the same laws and principles.

## Antitrust and Competition Laws

You shall not violate antitrust and competition laws in the countries in which you operate and you must operate fairly and shall not engage in price fixing, price discrimination, or unfair trade practices that violate applicable antitrust and competition laws.

## Business Integrity

You must act ethically in business transactions and comply with anti-corruption laws and regulations. You shall not give or accept bribes or kick-backs, nor violate applicable bribery and corruption laws including the Foreign Corrupt Practices Act. Ashland maintains strict policies concerning gifts and gratuities involving Ashland employees and representatives and you shall in all respects comply with those policies. Any form of extortion, corruption, or embezzlement is strictly prohibited and will result in immediate termination of your contract.

## Conflicts of Interest

You must do business in a way that is open, transparent and with the highest integrity. A potential conflict of interest exists if a supplier's employee or his or her family member has a close relationship with an Ashland employee who can make decisions which affect the supplier's business. You are required to immediately disclose these types of relationships to Ashland prior to commencing business or whenever they arise.

## Data Privacy

You are required to have an established information security system to protect Ashland's information – and the information of its customers and employees – from being disclosed, changed, destroyed or used for any purpose other than the purpose for which it was provided.

## Disclosure of Information

You must accurately record and disclose information regarding your business activities, company structure, financial situation, and business performance in accordance with prevailing industry practices and applicable laws and regulations.

## Intellectual Property

You must respect intellectual property rights and maintain controls to safeguard Ashland's name, logo, trademarks, confidential information, and other intellectual property against unauthorized use, modification and damage.

## Operating License

You shall have appropriate licenses, registrations, and certifications required to conduct business in the locations in which they operate.

## Social Responsibility

You must operate ethically and take into account the environment when making business decisions. You are expected to develop or adapt existing business practices in order to improve your work environment, community and society in general.

## Supplier Diversity

Ashland is committed to supporting economic development efforts with diverse suppliers to the extent that jobs may be provided, entrepreneurship may be advanced and useful goods and services may be produced at competitive prices. You must adhere to similar principles and support and develop supplier diversity programs within their organizations, and, as required, you must provide data to Ashland detailing spend with diverse suppliers.

# Labor and Employment Rights

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Ashland believes in treating people with dignity and respect and is committed to protecting the human rights of others. As a global company, Ashland is committed to maintaining safe and professional work environments where employees are free from violence, harassment and discrimination. We expect you to do the same. If you are unable to uphold themselves to our standards, Ashland has the right to discontinue the business relationship.

## Freedom of Association

Ashland recognizes that your work force may have rights to form and/or join unions and bargain collectively. You shall not retaliate or discriminate against any person in your work force choosing to exercise their right to do so.

## Compliance with Terms and Conditions

You shall sign and comply with the terms and conditions of any and all purchase orders, contracts and General Terms and Conditions of Ashland which is presented to you from time to time. This Supplier Code of Conduct, once signed and accepted by you shall constitute a part of an appendix to the existing contract relationship between Ashland and you.

## Child Labor

You shall not use, engage in or support child labor practices. Your labor force, including but not limited to employees and contract labor, must meet the minimum age require by law and shall not be less than 15 years of age contingent upon the child having received adequate training and the health and safety of the child is fully protected.

## Involuntary Labor and Human Trafficking

You shall not engage in or support forced or compulsory labor as defined by ICO Convention No. 29 including bonded, slavery, and human trafficking practices. All work performed must be voluntary, and employees have the right to terminate employment with reasonable notice.

## Wages and Benefits

You must provide employees with wages and benefits that meet the minimum required amount by applicable laws/regulations. In countries where no minimum wage law applies, your labor force, including but not limited to employees and contract labor, must be paid at a rate comparable to the prevailing industry average and in all instances your labor force, including but not limited to employees and contract labor, shall be paid in legal tender, on a regular basis and in a timely manner.

## Hours of Labor

You must comply with all applicable laws and industry standards on the amount of hours an employee or contract laborer can work in a successive shift, day, week or specific period of time. If applicable law does not set forth the maximum number of hours a person is allowed to work in a specified period of time, then no workweek shall exceed 60 hours, and you are required to

pay standard pay and any premium rate as determined by national law or industry average, for overtime hours worked. You must also comply with national laws on public holidays and sick leave provisions.

## Anti-Harassment

You shall provide fair treatment to employees and create a work environment free from mental or physical coercion. You shall not engage in harsh or inhumane treatment of employees including workplace, sexual, psychological, racial, or religious harassment. Any act creating an intimidating, hostile or offensive work environment is strictly prohibited.

## Anti-Discrimination

You shall not discriminate against employees based on race, color, national origin, religion, gender, disability, sexual orientation or political opinion. Any exclusions or preferences in the work environment made on these bases, which results in impaired equality, are prohibited. Suppliers are expected to hire employees and contract labor based only on each person's job-related competence and, if requested, must be able to provide to Ashland a written policy statement on the prevention of discrimination in the workplace.

## Diversity

Ashland believes in the value of diversity and is committed to actively creating an environment where each person is empowered to learn, grow and maximize his or her personal contribution. Celebrating the similarities and difference that shape each person will continue to encourage innovative thinking and drive the kind of sustainable, competitive advantage that will help you and Ashland grow and prosper for decades to come. You must be inclusive and ensure that your work force employees and other stakeholders are always treated with dignity and respect.

## Sourcing of Materials from Areas of Conflict

As a U.S.-based company, Ashland is required by law to track the use of certain minerals known as "conflict minerals." Conflict minerals are tin, tungsten, tantalum and gold which are mined in conditions of armed conflict and human rights abuses in the Democratic Republic of Congo (DRC) and its adjacent countries. We will actively work with you to strive to ensure that minerals in our products come from conflict-free sources. You are required to supply information about the use of these minerals in products sold to Ashland upon commencement of business or as requested.

# Responsible Care®

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As a Responsible Care member, Ashland strives for excellence in global environmental, health, safety and security performance. We manage our global operations by establishing processes to safely use, transport, and dispose our raw materials and products in compliance with the law. In addition, Ashland also seeks to achieve world class safety performance through our belief in a zero-incident culture. We expect you to share a similar passion for environmental stewardship and workplace safety.

## Environmental Compliance

You must comply with all environmental laws and regulations, and have applicable environmental permits and registrations for the business sector in which you operate. All permits and registrations must be maintained and kept current.

The rights and title to property and land of the individual, indigenous people and local communities are respected. All negotiations with regard to their property or land, including the use of and transfers of it, adhere to the principles of free, prior and informed consent, contract transparency and disclosure.

## Sustainability

You shall reduce the environmental impacts of your operations including natural resource consumption, material sourcing, waste generation, wastewater discharges and air emissions, and prevent accidental releases of hazardous materials into the environment and adverse environmental impacts on the local community.

## Health and Safety of Employees

You shall maintain the workplace and any living quarters used to house employees in a clean, orderly and safe manner with all applicable national laws and/or industry standards. You shall implement programs to prevent or control employee exposures to workplace hazards including chemical, biological and physical hazards, and implement programs to manage processes safely and prevent catastrophic events. You shall identify and encourage programs that promote access to health programs that positively affect the health of employees, and provide occupational health and safety training to all relevant employees. Workers shall not be disciplined for raising safety concerns and shall have the right to refuse unsafe working conditions, without fear of reprisal, until management adequately addresses their concerns.

## Emergency Prevention and Response

You shall identify potential emergency situations, implement preventative measures and be prepared to execute emergency response plans. You shall have or establish emergency plans and response procedures to anticipate, identify, and respond to emergency situations and events.

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# Product Quality and Continuous Improvement

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Ashland is a process-centered company that focuses on providing its customers with the highest-quality chemical products and services. Ashland utilizes programs such as Lean Six Sigma and expects you will do the same in order to provide quality products and services, remain competitive in your industry, enhance your business efficiency, reduce cost and have faster response times to Ashland's needs.

## Product Quality

You shall provide high-quality products that meet the requirements and specifications set forth by Ashland. You must create and maintain a Quality Management System (QMS) that is approved by a reputable third party and be able to provide documentation of quality certificates.

## Obligation to Report

You shall promptly report quality issues, quality concerns or quality non conformities that were supplied to Ashland in error, or in the event that a latent issue, concern or non-conformity was detected after the material was shipped.

## Obligation to Communicate Changes

You shall communicate changes to your product, process and/or service with Ashland. Generally, minor changes require prior notification to and major changes require prior approval from Ashland. This obligation varies depending on the type of goods supplied and your Ashland purchasing agent will advise you of the change communication requirements in coordination with Ashland Technical and/or Quality management based on your commodity or service.

# Global Trade

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Ashland complies with all applicable laws and regulations concerning embargoes and sanctions and does not, directly or indirectly, conduct transactions with individuals, entities, or countries that are the subject of restricted party or embargoed country lists (also known as interdiction lists).

## Anti-boycott

U.S. anti-boycott laws prohibit Ashland and our non-U.S. affiliates from participating in or cooperating with foreign boycotts not sanctioned by the United States.

## Export Controls

You shall not directly or indirectly provide to Ashland any material or service from a country, person or entity that is subject to U.S. and other regional, unilateral, and multilateral regulations that restrict transactions with specific foreign entities, persons or countries (often referred to as denied, debarred, and/or restricted parties). Examples of countries are Syria, Cuba, Iran, Sudan and North Korea. Examples of entities and persons include, but are not limited to, terrorists, organizations that fund terrorists, and/or parties guilty of trade violations.

Countries that maintain consolidated lists of financial sanctions targets include the United States, the European

Union, Canada, the United Kingdom, and Japan. In the United States, government organizations responsible for enforcing trade sanctions and embargoes include the U.S. Department of the Treasury Office of Foreign Assets Control (OFAC), U.S. Customs and Border Protection, the U.S. Commerce Department Bureau of Industry and Security (BIS) and the U.S. Department of State.

You shall implement due diligence compliance practices to screen you employees, customers, suppliers, vendors, agents and other business associates, including all parties in each transaction such as banks, insurance companies, shipping lines, and freight forwarders to ensure compliance with applicable laws and regulations concerning embargoes and sanctions.

## Trade Regulations

You shall comply with the trade regulation laws of the country or legal subdivision in which you operate.

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## Frequently Asked Questions

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### 1. What is Ashland's Supplier Code of Conduct?

Ashland's Supplier Code outlines the expectations Ashland has in its suppliers with respect to labor and employment rights, environmental health and safety, ethics and social responsibility, and global trade practices.

### 2. Why does Ashland need a Supplier Code of Conduct?

Ashland created a supplier code to ensure suppliers operate responsibly and conduct business in a manner that aligns with our company's principles and values.

### 3. How does Ashland monitor and enforce the Supplier Code?

Suppliers are responsible for establishing a management system that supports the content of this code and monitors/records regulatory compliance. Additionally, Ashland may conduct onsite audits to ensure compliance to this code.

### 4. What happens if a supplier fails to comply with Ashland's Code of Conduct?

If a supplier fails to meet the standards set forth by Ashland the supplier will be informed of the area(s) that need to be improved. The supplier will then be required to submit to Ashland an acceptable

corrective action plan. If the plan is approved, the supplier will be given a set period of time to resolve the areas of concern. If the issue is not resolved, corrective action will be taken which could result in termination of the business relationship.

### 5. I'm currently a supplier to Ashland. Does this code affect my contract?

Suppliers in existing contracts will not have to renegotiate their contracts with Ashland; however, once the contract is up for renewal, Ashland's Supplier Code will be incorporated into the Terms and Conditions of the contract.

### 6. When does Ashland's Supplier Code become effective?

This Supplier Code of Conduct is effective immediately and we expect all suppliers to certify compliance to the code by completing the certification statement and returning to their Ashland purchasing contact or by emailing to requestor.

### 7. Who should I contact if I have additional questions?

Should you have additional questions about this Supplier Code of Conduct please contact your Ashland purchasing representative or email your questions to requestor.

# Compliance Statement

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You must comply with this code and all applicable laws when conducting business with Ashland.

You are responsible for establishing processes to monitor and record regulatory compliance. Should your adherence to Ashland's Supplier Code of Conduct be questioned, you will be expected to provide evidence of conformity to this Supplier Code of Conduct. Ashland reserves the right to investigate any occurrence of non-conformity to this Supplier Code of Conduct, and in failure to resolve the problem; Ashland has the right to terminate the business relationship and any existing contracts.

**You must also understand and agree to comply with the following:**

- A. Anti-corruption laws and regulations of countries in which Supplier is registered to do business and all countries within which Supplier conducts business;
- B. Trade restrictions including but not limited to sanctions and embargoes of the United States of America, the European Union and the United Nations that may be applicable to and restrict the export, re-export or importation of Ashland's goods and services; and
- C. Ashland's Global Standards of Business Conduct, available on the internet at <http://www.ashland.com/global-standards-of-business-conduct>. (Ashland requires that you enforce this code or a similar code with your suppliers throughout your Supply Chain)

**Please select one of the following statements:**

- \_\_\_\_\_ has received the Ashland Supplier Code of Conduct and affirm that \_\_\_\_\_ commits to compliance with the Supplier Code of Conduct and the principles stated within. \_\_\_\_\_ affirms that it will follow all applicable laws, treat people with dignity and respect, avoid conflicts of interest, protect the environment, provide safe and healthy working conditions, and protect Ashland's information.
- \_\_\_\_\_ is in compliance with the Ashland Supplier Code of Conduct by virtue of the implementation of and adherence to its own Code of Conduct, which includes standards that are consistent with Ashland's Supplier Code of Conduct and the principles stated within. (Please attach an electronic copy to this response form.)
- \_\_\_\_\_ has concerns about its ability to comply with the Ashland Supplier Code of Conduct. (Please identify which areas you have concerns with and provide detail about those concerns.)
- \_\_\_\_\_ does not comply with the requirements of the Ashland Supplier Code of Conduct and has no plans to do so.

NAME OF SUPPLIER: \_\_\_\_\_

NAME OF SUPPLIER REPRESENTATIVE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

Email to requestor.

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**GLOBAL HEADQUARTERS**

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