

1. Introduction

As business partner of AkzoNobel you are expected to act in accordance with our company values and business principles and to comply with company policies, directives, laws and regulations. The company values and business principles are an expression of who we are and how we want to be perceived by our stakeholders. Our **Values** give us standards to measure ourselves by, particularly in our dealings with customers, suppliers, our own people and the wider world. The Values have a real meaning for us and the way we behave and are intended to be put into practice by us on a daily basis. In addition, AkzoNobel regards the application of its business principles of prime importance in decisions to enter into or continue relationships with contractors and suppliers, and to participate in joint ventures.

2. Values

The company values are the key to delivering AkzoNobel's brand promise of Tomorrow's Answers Today. AkzoNobel strives to meet high standards of performance and behaviour based on the company's values and business conduct.

Our company values are:

- Focusing on our customers' future first
- Embracing entrepreneurial thinking
- Developing the talents of our people
- The courage and curiosity to question
- Integrity and responsibility in our actions

3. Responsibilities

AkzoNobel is committed to creating long-term value for its customers, shareholders, employees and society, recognizing that sustainable profit is essential for the continuity of its business.

We will focus our efforts on the success of our customers. In this respect it is our responsibility to provide customers with products and services that offer value in terms of price and quality, and that meet high health, safety, and environmental standards.

We will provide competitive returns on our shareholders' investments. In this respect it is our responsibility to take due account of the expectations of our investors.

We will create an attractive working environment for our employees. In this respect it is our responsibility to recruit, hire and promote employees on the sole basis of suitability for the job, to stimulate their individual and professional development, and to provide safe and healthy working conditions. It is also our responsibility to prohibit harassment of any kind and exploitation of child labor.

We will conduct our activities in a socially responsible manner. In this respect we observe the laws of the countries in which we operate, support fundamental human rights in line with the legitimate role of business and give proper regard to health, safety and the environment consistent with our commitment to contribute to sustainable development.

4. Free Enterprise

AkzoNobel supports the principles of free enterprise and fair competition. The Company aims to meet customer's needs faster, better, and more distinctively than our competitors. To this end, Akzo Nobel will compete vigorously but fairly, and within the framework of applicable competition laws.

5. Business Integrity

AkzoNobel insists on integrity and fairness in all aspects of its business operations.

- Bribery and any other forms of unethical business practice are prohibited.
- AkzoNobel employees are expected to avoid all situations in which their personal or financial interests may conflict with the company's interest.
- All business transactions shall be accurately and completely recorded in accordance with the company's accounting principles, and local laws and may be subject to audit.

5.1 Complying with laws

AkzoNobel's policy is to comply with all laws and regulations that apply to its business.

5.2 Competition law compliance

AkzoNobel will compete for business. AkzoNobel expects its employees to compete lawfully and ethically as well. AkzoNobel operates a strict policy to ensure that its operations around the world are in full compliance with all applicable competition laws and the AkzoNobel competition law compliance policy.

5.3 Payments

5.3.1 Bribery

Bribery and any other forms of unethical business practice are prohibited. Under no circumstance shall any AkzoNobel officer, employee, agent or representative make, offer, promise or authorize any payment or gift:

- To gain any business advantage;
- To influence the policy of any government, or;
- That could bear the appearance of impropriety.

Please understand that an offer alone, without actual payment, still violates AkzoNobel's policy and the law.

5.3.2 Commission payments

The rule prohibiting bribes of any form may not be circumvented by commission payments. Any commission payment should be justified by a clear and traceable service rendered to AkzoNobel. The remuneration of agents, distributors and commissioners cannot exceed normal business rates and practices. Government officials shall not be appointed by AkzoNobel as agents, distributors or commissioners.

5.3.3 Facilitation payments

Facilitation payments are small payments made in money or in kind (for example AkzoNobel products) to officials, in accordance with publicly-known or widely-followed local customs, to expedite performance of routine government actions (such as processing a required government license). AkzoNobel promotes measures to eliminate such practices. More generally, all applicable laws and regulations should be complied with — in some countries, this completely rules out the making of facilitation payments.

5.3.4 Recording of payments

All payments, including facilitation payments, must be recorded in the appropriate ledgers in accordance with the company's accounting principles and all applicable local laws. Secret accounts and/or bookkeeping outside company accounts are strictly forbidden. No payments will be channeled through an agent unless they form part of normal agency fees or reimbursement for incurred costs. Apart from petty cash transactions, cash payments to third parties are not permitted; all payments should be made to a bank account designated in writing. Payments to so-called numbered accounts are not permitted. A request by a contract partner to divert a payment to an entity or person offshore shall always be rejected. All payments will be subject to internal and external audit.

All financial transactions must be recorded in a timely and accurate manner. In addition, any information pertaining to a transaction must be recorded. AkzoNobel's records should reflect transactions carried out in conformity with accepted accounting standards, and should be designed to prevent off-the-books transactions such as kickbacks and bribes. In addition, false or artificial entries are not to be made in the books and records of AkzoNobel for any reason.

5.4 Money laundering

AkzoNobel will not enter into, nor tolerate, any arrangement which facilitates (or which appears to or is suspected to be used to facilitate) any acquisition, retention, use, or control of any property or money intended to disguise the proceeds of crime.

5.5 Gifts

No personal gifts or favors of any material commercial value can be made to, or accepted from, a third party. A gift or favor of material value is defined as an object with such a value that it may influence a buying decision and/or may lead to a relation of dependency.

5.6 Child labor

Child labor refers to a type and intensity of work that hampers children's access to education, damages their physical and/or psychological health and their development within their families, and deprives them of their childhood or their self respect. Therefore AkzoNobel and its business partners must adhere to the following:

- AkzoNobel adheres to the legal minimum age requirements in all countries in which the company is active.
- Moreover, in adhering to the International Labor Organization's (ILO) Convention 138 on "Minimum Age," and Convention 182 on the "Ban of Worst Forms of Child Labor," AkzoNobel does not employ children under the age of 16.
- If children between age 16 and 18 are employed, the company ensures that this work does not affect or preclude schooling.
- Business unit management is responsible for making the AkzoNobel standards with regard to child labor known to key suppliers and contractors.

5.7 Forced labor

AkzoNobel will under no circumstances make use of forced labor. AkzoNobel will only employ employees who are working of their own free will. No employee is required to lodge deposits, and no individual will be deprived of identity papers upon commencing employment with the company. Business unit management is responsible for making the AkzoNobel standards with regard to forced labor known to key suppliers and contractors.

6. Community activities

Akzo Nobel companies are encouraged to support community activities.

- Akzo Nobel companies are to give their employees the opportunity to play an active role in societal matters - for example, through community or educational programs - unless participation in these activities creates a conflict of interest.
- Akzo Nobel companies are not to make payments to political parties, or their institutions, agencies, or representatives.

7. Communication

Akzo Nobel recognizes that, in view of the Company's scope of activities, the impact they have on stakeholders, and the public role the Company fulfills, proper communication is essential. Subject to any overriding considerations of confidentiality, Akzo Nobel companies endeavor to communicate with others in an open, factual, and timely manner.

8. Export Control and Trade Sanctions

As business partner of AkzoNobel you are requested to comply with the U.S, EU and U.N. sanctions and embargos towards certain countries to encourage social, political, military or economic change.