



# OUR ETHICS CODE

January 2021



WE MAKE IT WORK

# COMPLIANCE AT ESSENTRA – IT'S IN ALL OUR HANDS

We make it work



## COMPLIANCE

We have lots of different roles at Essentra. But, when it comes to Compliance, we all have the same responsibility. Because the reputation of our business isn't one person's job; it's in all our hands.

# OUR VALUES



Safety, respect and diversity

*Employee safety is our number 1 priority. We need to respect others and embrace diversity*



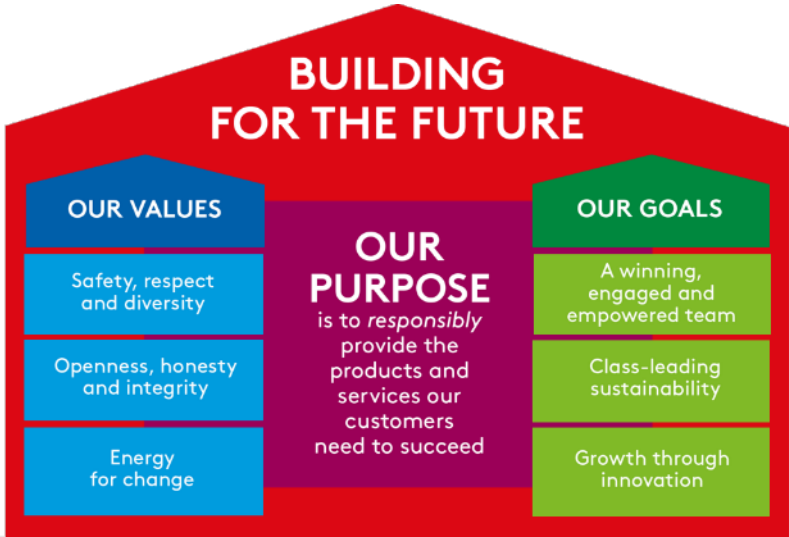
Openness, honesty and integrity

*We need to operate with openness, honesty and integrity*



Energy For change

*We need energy for change as we redefine our business, realign our processes and re-engineer our systems*



**We must all live the Essentra values – behaving in a safe, responsible and ethical manner. Think before you act and treat others as you would expect to be treated.**



# OUR ETHICS CODE



## Our Chief Executive describes the importance of ethics



### A message from Paul Forman

At Essentra, the Board is committed to doing business in the right way to continually earn the trust of our customers, suppliers, investors and other stakeholders which includes the wider marketplace. To enable our sustainable growth and continued success, we all need to live our Essentra values – acting safely, responsibly and being open and honest with high levels of integrity. We each need to show respect, and treat others fairly and with dignity; conducting our activities based on the highest ethical standards and ensuring our business practices comply with all legal or regulatory requirements.

Our Ethics Code is a framework to assist in making ethical decisions, and is supported by further policies and guidance notes. None of these documents can address every issue that an Essentra employee may face in the performance of their duties. However, together with common sense, clear thinking and good faith behaviour, our Ethics Code provides a framework and structure to guide each of us in determining the correct course of action.

In the event that you ever witness or have concerns about behaviours that fall below the standards required under our Ethics Code, please speak up via your line management, or by using the EthicsPoint reporting portal. In accordance with our Right to Speak Policy, we are committed to ensuring that any concerns can be raised for investigation in confidence (including anonymously) and without fear of reprisal or retaliation.

The Group Compliance Committee, supported by the Legal, Risk & Governance team, is responsible for the development and promotion of our Ethics Code and monitoring compliance with the 'Be Smart Be Sure' culture we need to demonstrate. However, responsibility for following our Ethics Code and for upholding Essentra's overall integrity and reputation – both globally and locally - rests with each of us individually.

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# 1. HOW TO USE OUR ETHICS CODE

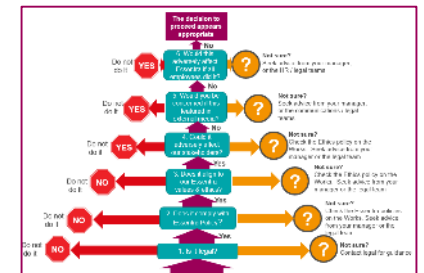
Situations involving ethics can be complex – sometimes you may struggle to know what’s the right thing to do. You may spot something that doesn’t seem right – maybe it’s not safe or you think it’s not being done properly as it should be. You may wonder if it seems ethically right?

Our Ethics Code is intended to help guide you through this; it defines the rules, processes and behaviours we all must follow to protect our employees and business. As a global business, Essentra has to take account of all of the local rules in the countries we operate in.

When you have read our Ethics Code, you may find our Ethics Decision Tree in **section 3** to help guide you through any potential decisions you need to take when faced with an ethical challenge or question. If you are in any doubt on any compliance related topics, please contact your manager, your Divisional Compliance & Controls Officer, the Legal, Risk & Governance team, speak to HR or email [compliance@Essentra.com](mailto:compliance@Essentra.com)



Refer to Our Ethics Decision Tree in section 3



## 2. OUR COMPLIANCE ESSENTIALS



### Be led

By leaders that set the right tone, provides the right resources, creates the right structure and delivers a real Compliance Commitment.

*Board Oversight / Tone at the Top / Required Resources / Organisation Structure*

### Be clear

About the assessment of risk: about standards, policies and procedures that apply to you; about the required behaviours to stay smart, sure and relevant in a changing world.

*Here's how:*

- *Continuous Risk Assessment*
- *Standards, policies & procedures*
- *Continuous Improvement, Auditing & Review*

### Be capable

Of performing at your best while meeting the highest standards through training and talent development that makes Compliance integral to your everyday role.

*Here's how:*

- *Compliance Training & Communication*
- *Talent Development*

### Be heard

Through established and well-publicised channels for confidentially - anonymously reporting misconduct without fear of reprisal

*Here's how:*

- *Confidential Reporting & Investigation Process*
- *Disciplinary Guidelines*
- *HR grievance process*

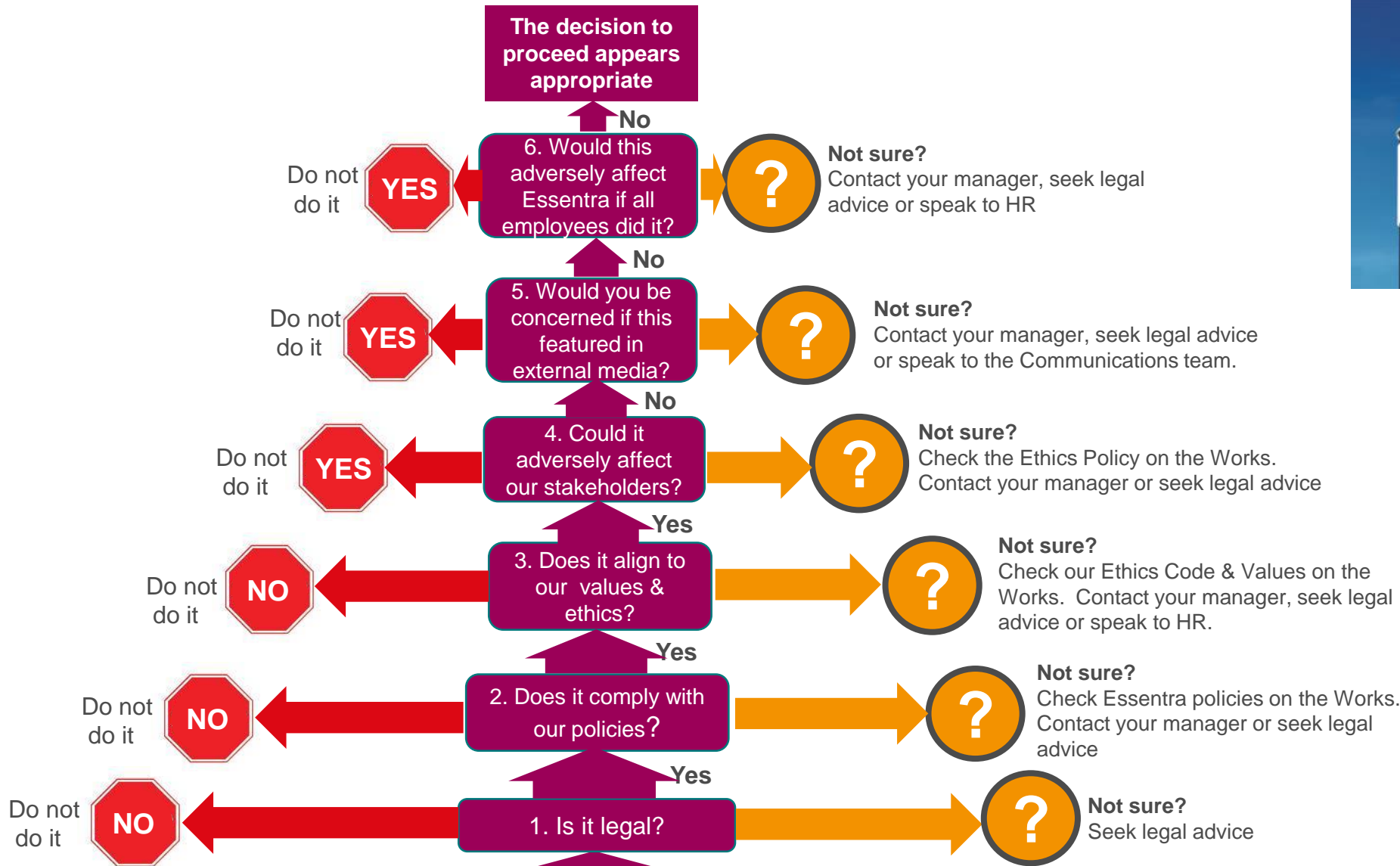
With openness, honesty and integrity

Because keeping our business safe from reputational and regulatory risk is everyone's job at Essentra.



# 3. OUR ETHICS DECISION TREE

Ask yourself key questions to help you make the right decision



If in doubt, seek legal advice or email [compliance@Essentra.com](mailto:compliance@Essentra.com)



## 4. YOUR RIGHT TO SPEAK



At Essentra we need to ensure we have an aspiring and motivational working environment, which maximises the considerable talent we have across our Company and allows it to flourish.

We expect all our employees to live our Essentra values – these define the standards we expect of everyone.



Essentra's Right to Speak Policy and process is in place to enable any employee to report any circumstances where they genuinely and reasonably believe that the standards of the Ethics Code, or the Company's wider policies and guidance notes, are not being upheld.

Essentra is committed to ensuring that employees feel able to raise any such concerns openly in good faith, without fear of victimisation or retaliation and with the support of the Company. Employees should in the first instance, consider discussing any concerns with their manager. If they believe that might cause an issue, employees can access the Ethics Reporting Line via [essentra.ethicspoint.com](http://essentra.ethicspoint.com) to report any concerns on a confidential basis, or use the confidential individual helpline telephone numbers, which are displayed at each business location.

# 5. HEALTH, SAFETY AND ENVIRONMENT

## Safeguarding employees is our number one priority at Essentra

No one at Essentra should suffer injury or harm whilst at work. In our aspiration to be a responsible business, we need to protect the business and its environments in which we operate to ensure our continued sustainability. We owe this to future generations as we 'Build For The Future'. As a responsible employer, we are committed to achieving and maintaining the highest standards of occupational health and safety and environmental protection. This need has been heightened during the COVID pandemic, ensuring we all continue to do the basics in social distancing, personal hygiene and wearing the required PPE to help reduce the spread of the virus.

We are taking STEPS to reduce the number of accidents and incidents, with the goal of achieving zero accidents. We are continuously improving our environmental performance - includes preventing pollution; minimising emissions; reducing waste and energy consumption and more recycling across our supply chain.

Essentra Thrives highlights our approach to look after the physical and emotional wellbeing of our people. We approach this through leadership that is both empathetic and supportive to all our people, accepting everyone as a whole person, not just the person who comes to work. We take active steps to encourage everyone to look after their physical health through exercise and nutrition, building the resilience they will need to manage the constant changes we all face in life. We create the space, the time and the support and respect the fact we are a diverse Essentra family with an open culture of inclusion – having a kindness culture.

We offer an Employee Assistance Programme (EAP) to all employees – this service provides confidential support and advice 24 hours a day; 7 days per week, 365 days per year. Support for financial worries, housing concerns, family challenges and relationships can be discussed.



## 6. DIVERSITY & INCLUSION

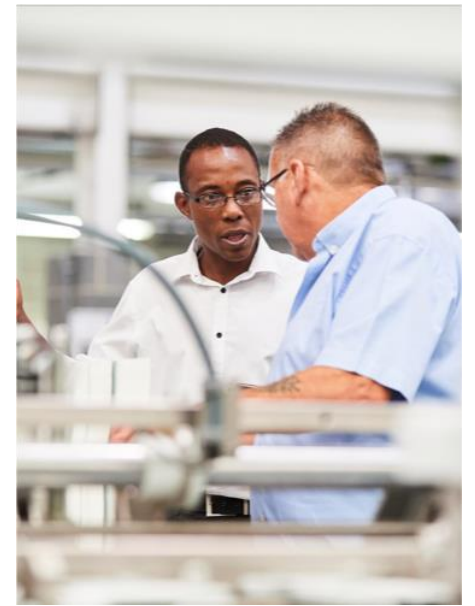
Essentra is committed to equal opportunities at work; employees should not engage in or support any form of discrimination based on race, colour, language, caste, national or ethnic origin, indigenous status, sexual orientation, religion, disability, gender, marital status, union membership, political affiliation or age.

Throughout its international operations, Essentra supports human rights as set down by the United National Declaration and its applicable International Labour Organisation conventions. This includes a mandatory requirement on all sites to avoid the employment of children, as well as a commitment to the prevention of modern slavery and human trafficking.

Our culture promotes diversity and inclusion, where our individual differences are valued and harnessed. Everyone should be encouraged and feel comfortable to be themselves at work.

If you experience any behaviours that go against our desire to be a diverse and inclusive organisation, please speak with your manager in the first instance. Where a problem is considered to be of a sufficiently serious nature and cannot be resolved with the support of your line manager, you can raise a grievance, which will be dealt with promptly, fairly and in complete confidence.

Otherwise raise any issues in confidence in accordance with our Right to Speak Policy.





## 7. BULLYING AND HARASSMENT

Any type of harassment (physical, verbal, sexual or other) directly contradicts our values and is strictly prohibited.

Essentra does not tolerate any form of harassment, including intimidation or bullying and expects all employees to maintain the highest standards of personal and professional conduct.

It is the responsibility of all employees to ensure that the workplace is free from any form of harassment and to promote a respectful workplace.

If any employee is subject to or witnesses harassment in the workplace, they should raise it with their manager, or HR or otherwise speak up in accordance with the Essentra Right to Speak Policy.

Where a problem is considered to be of a sufficiently serious nature and cannot be resolved with the support of your line manager, you can raise a grievance, which will be dealt with promptly, fairly and in complete confidence.



## 8. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Our Ethics Code includes reference to particular areas of law and compliance applicable to Essentra.

Essentra is committed to complying with both the letter and the spirit of all laws, rules and regulations that govern its business across the many international jurisdictions within which it operates, irrespective of whether they are specifically referenced in our Ethics Code.

Employees must observe the applicable legislation for the country in which they operate, and guidance or legal advice should be sought whenever appropriate.

Failure to comply with laws, rules and regulations may expose Essentra to penalties, fines and reputational damage. Employees involved in any failure to comply with laws, rules or regulations may be exposed to personal criminal or civil liability, including potential imprisonment or personal fines.

Any employee who knows or suspects any failure to comply with laws, rules and regulations must report them in accordance with the Essentra Right to Speak Policy.



If in doubt, seek legal advice or email [compliance@Essentra.com](mailto:compliance@Essentra.com)

## 9. INSIDE INFORMATION AND SHARE DEALING

No employee may trade in Essentra shares whilst in possession of inside information. Inside information is information which is relevant to the Company but which is not publicly known and which may impact the price of shares or otherwise have an impact on any decision to trade in Essentra shares.

Examples of inside information may include mergers and acquisitions, changes in financial performance or forecasts, major litigation or changes in senior management.

No employee may disclose inside information to any third party, including other employees, other than in accordance with Essentra's strict protocols for the management of inside information.

If you become aware of someone who is using inside information for personal gain or sharing this information with others which breaks our business confidentiality rules, you must report this to your manager.

The use or misuse of inside information may expose any employee to imprisonment or fines.

If in doubt, seek guidance from [sharedealings@Essentra.com](mailto:sharedealings@Essentra.com).





## 10. PROTECTION AND PROPER USE OF ESSENTRA ASSETS

The Company's assets are the foundation from which Essentra provides its products and services worldwide, and employees are responsible for the protection and proper use of these assets. This includes establishing and complying with procedures that ensure that Essentra's assets are not put at risk or used in an inappropriate or wasteful manner. Business assets span many categories. They can be physical, tangible goods, such as vehicles, real estate, computers, office furniture, and other fixtures, or intangible items, such as intellectual property.

In all cases, employees should ensure that their use of Essentra's assets does not prejudice the Company's interests.



## 11. BOOKS, RECORDS AND ACCOUNTS

The integrity of Essentra's books, records and accounts is essential. The Company is committed to ensuring that all business transactions are recorded and maintained with strict accuracy and completeness, supported by documents that properly describe all third-party dealings.

The falsification of any book, record or account – including the submission of any false personal expense statement or claim for reimbursement of a non-business related expense – is prohibited. Under no circumstance shall any accounts or payments be established or maintained “off book”, and the storage or destruction of all books and records relating to Essentra's business activities must comply with Company procedure.

Information to be included in any external communication to stakeholders, or in any document to be filed with any regulatory authority or governing body must be complete, accurate and timely when submitted.



## 12. IT SECURITY POLICY

The policy defines information security governance practices and principles in response to known and perceived threats to information and cyber security within Essentra. Threats may be external, internal, deliberate or accidental. These threats are now more common than ever. Each of us has a responsibility to be vigilant, doing our part to ensure we protect Essentra systems and information.

The core principles of IT and cyber security are:

- **Confidentiality** – we need to protect our data so only authorised access is allowed. We use access control systems that utilise passwords, multi-factor-authentication, encryption and other defences to ensure confidentiality.
- **Integrity** – our data needs to be reliable and not improperly modified, either by accident or maliciously. In legal contexts we must prove that we maintain our data properly. Document version control, file versions in the cloud plus frequent backups help restore data to the correct state.
- **Availability** – business data needs to be accessible for legitimate authorised users so our business can function correctly. System uptime, restore capability and disaster recovery processes support this.
- **Security and Privacy by Design** – we must consider data security and privacy within significant business changes such as large projects, new IT applications and acquisitions / divestments. Risk assessments must drive data handling decisions against our Data Protection Policy, applicable laws, regulations and contracts that we must comply with, e.g. the General Data Protection Regulation (GDPR) in the EU.



# 13. IT ACCEPTABLE USE POLICY

The acceptable use of Essentra IT equipment, resources and information is generally defined as any activity that may reasonably be expected to be carried out by an authorised person (i.e. our employees) with legitimate access for business purposes. Limited personal use is permitted within reason if it's appropriate and does not create productivity loss, impact service or resource availability or introduce liability or other risks to Essentra.



## What is unacceptable use of IT?

- Attempting to, or providing unauthorised IT access
- Share usernames and passwords with other users
- Install, copy or utilise unauthorised software / hardware
- Copy, reproduce, share or transmit data or information that undermines the intellectual property/trade secrets
- Connecting any network enabled equipment to the corporate network without IT approval
- Connect personal devices to our IT infrastructure unless it is approved as an IT exception, for business purposes
- Accessing data where the user knows or ought to know they should not have access
- Introducing data-interception, password-detecting or similar software or devices to our IT
- Any hacking, reconnaissance or system compromises
- Knowingly introducing any computer virus, malware, remote access/control, automated script/trigger or malicious/destructive software
- Use Essentra systems for bulk / spam email campaigns



# 14. RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS

Essentra is committed to dealing fairly with customers and suppliers, and to ensuring that its relationships are managed to the highest standards of ethical business practice and in accordance with all applicable anti-trust, anti-corruption, anti-money laundering and sanctions and export control laws, rules and regulations.

Appropriate due diligence must be undertaken before dealing with third parties, particularly when appointing agents or dealing with countries subject to comprehensive sanctions, to ensure that no unacceptable risks are posed to Essentra when transacting with such third parties.

Employees have a responsibility to ensure that all the Company's activities support the delivery of excellence in both products and service, and should not take unfair advantage of any third party through manipulation, concealment, abuse of privileged information or misrepresentation of material facts.

In addition, employees shall ensure on an ongoing basis – as far as is reasonably practicable – that all third parties working with, or on behalf of Essentra (which includes suppliers and customers) are complying with these requirements and are not engaged in modern slavery or the employment of children.



## 15. BRIBERY AND CORRUPTION

Essentra does not engage in, or tolerate any conduct which may constitute bribery or corruption, whether directly by an employee or indirectly through a third party (such as an agent acting on the Company's behalf) or a family member.

In nearly all countries the act of giving or receiving a bribe will be a criminal offence both for Essentra and the individuals involved. Bribery generally involves paying or offering to pay money or something of value to someone in business or in the public sector in order to obtain or retain a commercial advantage or to induce or reward the recipient for acting improperly. It is worth noting that a person receiving a bribe can be as guilty of an offence as the person who provides the bribe.

Essentra will not authorise, or be a party to any financial payment or benefits in kind, with the intention of inducing or rewarding any person to perform improperly a function or activity that they are otherwise expected to undertake in good faith, impartially or from a position of trust (e.g. the award of a contract or an order).



## 16. CONFLICT OF INTERESTS

Essentra is committed to ensuring that all employees avoid any activities that might lead to - or suggest - a conflict between their personal interests and the interests of the Company. A conflict of interests is where an employee (or their friends & family) may personally benefit from a business decision, relationship or agreement prejudicing their judgement. This can lead to the potential for bribery and corruption.

Avoiding a conflict of interests helps ensure that we live to our values – we are a responsible employer and business partner, remaining safe, ethical and legal.

All employees are required to declare any conflict or potential conflict of interests in accordance with the Essentra Conflict of Interests Policy and to update any declarations in the event of any change of circumstances.



## 17. GIFTS AND ENTERTAINMENT

All employees must ensure that they deal with customers, suppliers and other business relationships in a way that avoids their independent judgement on behalf of the Company being influenced by personal advantage – or any appearance that this may be the case.

Essentra does not prohibit the giving or receiving of normal and appropriate hospitality to or from third parties in an open, honest and ethical manner. Examples of this include occasional drinks and meals, attendance at sports, theatre or other cultural events and gifts of a token or modest amount.

Offers or acceptance of expensive or excessive gifts or entertainment may be perceived as being a bribe and should be politely declined. In exceptional circumstances, should it not be possible to decline a gift (for example, because it may cause serious offence or expose an employee to harm), employees should declare it as soon as possible to their manager.

Employees should seek approval for and disclose any gifts and entertainment in accordance with Essentra's Gifts & Entertainment Policy.





## 18. POLITICAL AND CHARITABLE CONTRIBUTIONS AND PUBLIC OFFICIALS

Essentra prohibits providing contributions, gifts or assistance to political parties, whether directly or indirectly. This includes any political fundraising activity by any candidate for/or holder of any state or local office (or an elected committee or similar association for such candidate) and/or political party of a state or locality.

Essentra also prohibits providing gifts or entertainment to any public official for the purpose of exerting any improper influence – or otherwise influencing their official or commercial actions – to gain a business advantage for the Company.

Essentra does not prohibit making direct or indirect contributions to charities. However, caution should be exercised to ensure that charities are not being used as a cover for political purposes, or to channel improper payments to public officials/to other third parties for unethical purposes.



## 19. SANCTIONS AND EXPORT CONTROLS

Sanctions and Export Control laws restrict the countries and people to whom you can send Essentra products. The laws apply to all Essentra activities globally.

At Essentra, we value our business partners and honour the trust that they have placed in us. For the protection of all our business partners, Essentra must regularly assess its supply chains, including its customers, suppliers and banking arrangements to ensure compliance with applicable sanction regimes and export controls.

A comprehensive third party due diligence process must be undertaken necessary to ensure a clear understanding of the risks potentially involved in doing business with any third party.

## 20. ANTI-MONEY LAUNDERING

Money laundering may consist of the converting, transferring or disguising of criminal property, typically associated with drug trafficking or terrorism but extending to any property flowing from any crime including tax evasion, corruption and smuggling.

Essentra's Anti-Money Laundering Policy prohibits and pursues the prevention of money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. The policy prohibits the use of cash for business transactions.



## 21. ANTI-TRUST AND COMPETITION LAW

Essentra is committed to ensuring fair competition at all levels of trade.

Any agreement or conduct which has a damaging effect on market competition may violate anti-trust or competition laws and must be addressed. Examples of potentially anti-competitive agreements or practices include arrangements between competitors that control prices, allocate customers, or seek to limit production or capacity and exchanges of confidential or commercially sensitive information such as pricing. Abuse of a dominant market position must be avoided.

All employees must be particularly careful in any discussions with competitors and trade associations where there might be the potential for concerted activity amongst its members.

Ensure agreements with suppliers and customers containing restrictions on price, products or territory and/or including any elements of exclusivity, are carefully analysed with the benefit of legal advice before being entered into. Such arrangements should not be entered into with competitors, save for very limited exceptions cleared after detailed legal review.



## 22. DATA PROTECTION AND PRIVACY

Essentra is committed to ensuring that personal and confidential information is preserved and protected and that its business practices and the behaviour of all employees comply with the requirements of all applicable data protection, security and privacy laws and regulations.

Confidential information includes commercial details, personal data and trade secrets and no employee shall access, modify, disclose (internally or externally) or make use of such information, unless they have the proper authority and the purpose for doing so is consistent with the legitimate execution of their duties and in accordance with the rights of use for such information.

Employees must always respect the privacy of others and take steps to keep personal information safe and secure.





## 23. SOCIAL MEDIA POLICY

The Social Media Policy is to set expectations for appropriate behaviour and ensure that an employee's posts will not expose the company to legal problems or public embarrassment. The policy covers online postings and conversations – both company-related as well as personal ones as they are linked to Essentra. Always exercise good judgement and common sense when engaging in online interactions.

When you engage in online conversations you are responsible for what you write. Be genuine, personable and relatable in your conversations – people want to talk to people, not someone making a “pitch”. When you’re engaging in a conversation about our company or our industry, identify yourself as an employee of Essentra. Be honest about who you are and what you do at Essentra.

When you’re stating your own opinion, make that clear and highlight the opinions are your own and not the opinions of Essentra. You shouldn’t make comments that may reflect poorly on Essentra and you should always check the accuracy and sensitivity of what you are posting.



## 24. COMPLIANCE WITH OUR ETHICS CODE

All employees are required to live our values and to comply with this Ethics Code, and are personally responsible for doing so. In addition, employees should ensure that third parties working with, or on behalf of, the Company are aware of the Ethics Code and, as appropriate, any relevant supporting policies or guidance notes.

Wherever required by these policies or guidance notes – or whenever else it is appropriate – employees should seek undertakings from third parties to act in accordance with Essentra’s Ethics Code and any applicable policies or guidance note. Employees must carry out appropriate due diligence and ongoing monitoring of third parties working with, or on behalf of, Essentra to ensure their compliance with these requirements and expectations.

Failure to observe the terms of the Company’s Ethics Code – or any of the supporting policies and guidance notes – may result in disciplinary action where an employee’s conduct will be subject to formal review. In the most serious cases, such review may potentially lead to the termination of employment and/or result in personal criminal or civil liability. Similarly, if you fail to report an act you are aware of, that contravenes the terms of the Company’s Ethics Code, you may also be subject to disciplinary action.

Any employee who knows or suspects any failure to comply with our Ethics Code must report them in accordance with the Essentra Right to Speak Policy.



If in doubt, seek legal advice or email [compliance@Essentra.com](mailto:compliance@Essentra.com)