

4 Society & Local Communities

Cookson seeks to be a good corporate citizen wherever we do business. We must observe all national and local laws, ordinances and regulations, including those regarding political activities and payment of taxes. Bribery is strictly prohibited; the Group will never seek to gain any advantage through the inappropriate use of payments, business courtesies or other inducements. We must never offer or give any item of value to unlawfully influence (or where it might appear to be given to unlawfully influence) the conduct of any government official, business associate, competitor or anyone else. We must:

- Keep ourselves informed about local culture, encourage the sharing of experiences across the Group, and be adaptable, innovative and sensitive in our dealings with the local community.
- Respect and take into account regional and local concerns, customs and traditions.

5 Health, Safety & the Environment

Health, safety and environmental matters are mainstream management responsibilities. We must protect the health and safety of our customers, employees, contractors, visitors, the general public and others affected by our operations. Public concerns about health, safety and environmental aspects of our operations must be addressed constructively. We must:

- Provide healthy and safe working conditions for all employees.
- Consider the likely environmental impact of new products and processes early in the development stage.
- Minimise, make safe or, if practicable, prevent the release of substances which could adversely affect human health or the environment.
- Reduce waste by careful use of materials, energy, and other resources and maximise recycling opportunities.
- Provide sufficient human and material resources and training to meet our health, safety and environmental commitments.

6 Conflicts of Interest

Employees, officers and directors have a duty of loyalty to the Group, and may not use their positions to profit themselves or others at the expense of the Group. Personal interests that do, or might appear to, conflict with Group interests or improperly influence the performance of our duties must be avoided at all times. We must:

- Never engage in direct or indirect business, financial and other relationships, not on behalf of the Group, with outside concerns that do or may do business with or in competition with the Group without full disclosure to management regarding any such relationships.
- Never represent the Group in any transaction in which an employee or related party has a material personal interest without full disclosure to management.

- Never improperly disclose or otherwise use confidential or inside information of or about the Group or business associates particularly for personal advantage.
- Never compete, or assist others to compete, with the Group.
- Never serve on any external board of a commercial enterprise unless such board membership is disclosed to management and found not to conflict with Group interests.
- Never solicit or accept any money for personal gain from any business associate or competitor.
- Never accept from any business associate or competitor any non-monetary gift, service or other thing: if it would or might appear to improperly influence the performance of Group duties; if it might appear to be excessive; or, if it cannot be reciprocated at the same level.

7 Competitors

We must compete vigorously, but honestly. We must:

- Never discuss proprietary or confidential information with our competitors.
- Refrain from acquiring information regarding a competitor by underhanded means.
- Never engage in restrictive or collusive trade practices or abuse any market position.
- Refrain from engaging in unfair competition, including false or misleading comments or claims about Cookson, competitors or products.

Making Sure It Works

This Code is reviewed regularly. We must also monitor the way in which it is followed. Employees are encouraged to discuss with management any concerns about behaviour or decisions which conflict with the letter or spirit of this Code and there is also a 24-hour confidential Employee Business Concern Helpline and e-mail facility through which employees can register any concerns about incorrect or irregular practices in the workplace. With the express permission of the caller or e-mail correspondent, the service provider reports any matters raised to a designated team at Cookson's Head Office for investigation.

Code of Conduct

“The pursuit of the highest possible ethical standards must be as much a part of Cookson culture as any other facet of our operations.”



Cookson has a **24-hour confidential Employee Business Concern Helpline** through which individuals can register any concerns they have. This can be reached via telephone on: **0800 854572** (freephone from the UK) **1 866 750 9764** (freephone from the US) **+44 208 216 2240** (from other destinations) or by e-mail at support4u@focuseap.co.uk

Further information can be found on the Company website:
<http://www.cooksongroup.co.uk/cookson/pages/csr>

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Dear Colleague

I am pleased to introduce this updated Code of Conduct. The Code applies to everyone within Cookson Group plc and to each of our operations worldwide. It emphasises our commitment to ethics and compliance with the law, and sets out basic required standards of legal and ethical behaviour.

Lasting business success is measured not only in our financial performance, but in the way in which we deal with our customers, business associates, employees, investors and local communities.

We must always conduct our business affairs in a manner consistent with the Code's principles. In many cases this will require exercise of considered judgement, and you should consult your supervisor or other Group authority if you are ever in doubt about the Code's meaning or scope. You should not hesitate to report to management any failure in fully implementing the letter and spirit of the Code; you will never be disciplined because of such a report made in good faith.

Ethics and high standards of behaviour are of critical importance in today's commercial world, and Cookson's reputation for the highest standards of business conduct is an invaluable asset. This Code of Conduct must therefore be central to the way in which we do business.

Sincerely,

Nick Salmon
Chief Executive

Our Code of Conduct covers seven key areas



- 1 Customers, Products & Services
- 2 Employees
- 3 Investors
- 4 Society & Local Communities
- 5 Health, Safety & the Environment
- 6 Conflicts of Interest
- 7 Competitors

1 Customers, Products & Services

Long-term, positive customer relationships are essential to us achieving our goals. In dealing with existing and potential customers, and with suppliers and other business associates, we must maintain an unquestioned reputation for integrity, treating them all fairly, consistently and on the basis of mutual respect and trust.

To achieve these standards we must:

- Provide consistently high quality products that are reliable, safe and meet customer needs.
- Provide high quality, reliable after-sales service.
- Provide clear, concise, useful, non-misleading information about products and services.
- Safeguard the confidential information of others and not use such information for any improper Group business activity or for personal gain.
- Conduct all business dealings at arm's length, including adherence to Group policy regarding conflicts of interest, gifts and bribes.

2

Employees

We must always deal with our fellow employees in good faith on the basis of respect for the dignity of the individual.

Job satisfaction requires work environments that motivate employees to be productive and innovative, and provide opportunities for training and development to maximise employees' potential and careers within the Group. We must listen carefully to our employees, involve them in improving productivity, work quality and conditions of employment, and must:

- Ensure that recruitment, training, promotion, career development, termination and similar employment-related issues are based on individual ability, achievement, experience and conduct without regard to race, colour, nationality, culture, ethnic origin, religion, sex, sexual orientation, age, disability or any other reason not related to job performance or prohibited by applicable law.
- Refuse to tolerate discrimination or harassment.
- Remunerate employees based upon the value of their work and, to the extent practicable, the success of the business.
- Keep our employees abreast of important developments affecting them and the Group's vision, goals and plans.
- Maintain effective procedures to resolve work-related disputes.
- Keep employee records confidential to the maximum practicable extent.

3

Investors

Providing attractive returns to investors on a long-term basis and otherwise protecting and advancing the interests of investors is a primary goal of Cookson. We must conduct our business in a responsible manner while engaging in careful risk-taking as an essential ingredient of business success. Particular care must be taken to preserve and protect the Group's assets by making prudent and effective use of resources. We must:

- Provide to investors, on a regular and timely basis, accurate financial information and a balanced assessment of the Group's position which is easy to understand.
- Engage in the best practices of corporate governance.
- Treat all investors fairly and consistently and refrain from advantaging one investor class at the expense of another.
- Be candid, honest and professional: in performing our duties; in communications with our advisors and auditors; and, in communicating with the investment community.