

Covestro Human Rights Position

Covestro supports the United Nations’ Universal Declaration of Human Rights (<http://www.un.org/en/documents/udhr/index.shtml>) and a number of globally recognized declarations for multinational enterprises¹. We also fully endorse the principles of the United Nations Global Compact initiative. Promoting human rights standards internally and throughout all of Covestro’s business operations is in line with our company’s Values and Leadership Principles and our Sustainable Development Policy.

Covestro’s commitment to foster the implementation of human rights is supported through our Corporate Compliance Policy. It is in effect in all Covestro locations and it applies to Covestro’s business operations worldwide. We will use this position as a framework to guide our decision-making and constructive engagement within our sphere of influence, while the responsibility of the governments of the various countries for protection of human rights is respected.

Employees: Working Conditions	Harassment and Discrimination	Freedom of Association and Collective Bargaining	Child Labor	Health and Safety
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We provide our employees with fair and competitive compensation and benefits. Our wages meet or exceed local market conditions and thus ensure an adequate standard of living for our employees and their families. All forms of forced and compulsory labor are strictly prohibited. Our compensation systems are linked to company and individual performance. Pension provision is a key element of our total compensation packages worldwide.

We encourage our employees to fully utilize their potential by offering ample training and education opportunities. Access to qualification and training measures is based on the principle of equal opportunities for all employees. We comply with all applicable laws and agreements on working time and paid leave. We respect the right to rest and leisure, including vacation with pay, and the right to family life, including parental leave and comparable provisions. Where possible we will aim to offer more flexible work patterns to enable our employees to balance company with personal demands.

Equal treatment of all employees is a fundamental principle of our corporate policy. No person is to be unfairly disadvantaged, favored or ostracized because of ethnic or racial status, color, nationality, descent, religion, caste, gender, age, physical characteristics or appearance, sexual orientation, union membership, political affiliation, HIV/AIDS or parental status. Harassment of any kind is forbidden. We expect our employees to be friendly, objective and fair in their dealings with colleagues and third parties. Under comparable prerequisites, we provide equal pay for equal work.

We are committed to an open and constructive dialogue with our employees and their representatives. Our employees are free to join organizations of their choice that represent them. These organizations may engage in collective bargaining according to the applicable legal regulations. At all Covestro sites worldwide, employees have the right to elect their own representatives. Employees who act as representatives are neither disadvantaged nor favored in any way. In locations where employees have decided not to appoint representatives, we will ensure direct and open communication between employees and management.

We follow a clear 'zero tolerance to child labor' policy in our business operations worldwide. We do not tolerate child labor in our supply chain either, where we take action against known cases of violations. Our efforts to fight against child labor are consistent with the ILO's² (International Labor Organization) core labor standards and the United Nations Global Compact principles.

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Minimum Age Convention 1973; (No. 138); Worst Forms of Child Labour Convention, 1999, (No. 182).

We ensure uniformly high health protection, safety, environmental protection and quality standards (HSEQ) at our sites through the implementation of appropriate management systems. HSEQ regulations are consistently applied worldwide to minimize the occurrence of accidents and incidents. Experts on occupational safety support line management in preventing illnesses and accidents by implementing appropriate measures. Our sites offer their employees an ample range of health care services, including measures going beyond health care at the place of work. Covestro strictly believes that the respect for people is mandatory for business excellence. With this position we confirm our commitment to internationally recognized principles in the areas of human rights and labor conditions. We expect the conduct of our employees and business partners worldwide to reflect this commitment.

¹ e.g. "Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy" of the International Labor Organization (ILO), "Guidelines for Multinational Enterprises" of the Organization for Economic Cooperation and Development.