



CODE OF CONDUCT

TABLE OF CONTENTS

1	LIVING OUR VALUES
2	I. OUR PRINCIPLES Individual Responsibility
2	II. IMPLEMENTATION Condition of Employment Compliance Certificate Association with Unaffiliated Enterprises Letter to Vendors, Suppliers and Contractors Interpretation Questions Violation of this Code
4	III. CONFLICTS OF INTEREST Reporting Conflicts of Interest Involving Employees
6	IV. REPORTING AND RECORD KEEPING Baystar Books and Records
7	V. USE OF BAYSTAR PROPERTY AND RESOURCES
9	VI. BUSINESS AND TRADE PRACTICES Compliance with Laws, Rules and Regulations Fair Dealing Confidentiality
10	VII. HEALTH SAFETY AND ENVIRONMENTAL POLICY
11	VIII. EMPLOYMENT PRACTICES AND WORK ENVIRONMENT Employee Relations Diversity and Inclusion Policy Freedom of Association Disciplinary Practices
12	IX. REPORTING VIOLATIONS
	X. WAIVERS OF THIS CODE
	XI. AMENDMENTS TO THIS CODE; CONFLICTS
	XII. POSTING REQUIREMENT
13	ANNEX A - CODE OF CONDUCT CERTIFICATION



LIVING OUR VALUES

The Board of Representatives (the “Board”) of Bayport Polymers LLC (“Baystar”) has adopted this Code of Conduct (this “Code”) as the expression of Baystar’s Core Values and expected behaviors.

Everyone who works for or with Baystar - employee, contractor, partner or supplier - has responsibility for adhering to the Code. The Company’s management and employees must comply with the spirit as well as the letter of this Code.

You must read this Code carefully, ask questions of the Baystar’s Human Resources Manager and promptly sign and return the certification attached as Annex A, acknowledging receipt of this Code to Baystar’s Human Resources Manager.

I. OUR PRINCIPLES

OUR STANDARDS



Baystar's fundamental policy is to conduct its business with honesty and integrity, adhering to the highest legal and ethical standards. We are **trustworthy**.



Baystar is committed to conducting its business in compliance with applicable health, safety and environmental laws, rules and regulations in a manner that has the highest regard for the health and safety of human life and the environment. Our commitment to health and safety exemplifies our core value of **caring**.



Baystar is **focused** and demonstrates the highest discipline to avoid incidents while looking for innovative ways to optimize our productivity and efficiency.



Baystar **cares** about its employee family and about the community in which it operates. We work hard and have **fun** contributing to communities in which we operate.

INDIVIDUAL RESPONSIBILITY

This Code provides guidance for specific situations that may arise. However, each employee has the responsibility to exercise good judgment so as to act in a manner that will reflect favorably upon Baystar and the individual. This Code covers a wide range of business practices and procedures but does not cover every issue that may arise.

II. IMPLEMENTATION

CONDITION OF EMPLOYMENT

All new employees are provided with a copy of this Code at the time their employment with Baystar commences.

Each employee must become familiar with and agree to comply with this Code as a condition of employment. All managers are responsible both for ensuring that all employees under their supervision, regardless of level, are familiar with this Code and for promoting compliance with this Code.

COMPLIANCE CERTIFICATE

Baystar employees are asked annually to re-affirm their understanding and compliance with all the Baystar policies, including this Code, through a certification process conducted by the Human Resources Manager.

ASSOCIATION WITH UNAFFILIATED ENTERPRISES

Baystar employees working with employees of enterprises not controlled by Baystar (including vendors, suppliers, contractors, lawyers and accountants) must be guided in their conduct by this Code's provisions. The employees must attempt to influence those enterprises to conduct their activities in conformity with all applicable laws and this Code.

LETTER TO VENDORS, SUPPLIERS AND CONTRACTORS

Baystar shall periodically send to its significant vendors, suppliers and contractors a letter that:

- Advises that it is against Baystar's policy for employees to accept gifts or entertainment of more than nominal value from any entity that does, or is seeking to do, business with Baystar;
- States that the provision of gifts and entertainment is not, and will not become, a condition of doing business with Baystar; and
- Requests the recipient to identify any employee or representative of Baystar who pressures or solicits the recipient for gifts, entertainment or other special favors.

INTERPRETATION QUESTIONS

Employees who have questions on how to proceed or interpret this Code shall consult their supervisor, the Company's Human Resources Manager or the General Counsel or any other person(s) designated by the Board to supervise the application of this Code.

VIOLATION OF THIS CODE

Compliance with this Code is essential. Violations will result in disciplinary action, including dismissal where warranted.

III. CONFLICTS OF INTEREST

Situation(s) can arise when an employee takes actions or otherwise finds himself or herself in a position that may make it difficult to perform his or her work objectively and effectively. A conflict of interest occurs when an individual's private interest interferes in any way with the interests of Baystar. Conflicts of interest also arise when an employee, or a member of such person's family or household, receives improper personal benefits as a result of the employee's position with Baystar.

A conflict of interest is deemed to exist whenever, as a result of the nature or responsibilities of his or her relationship with Baystar, an employee is in a position to further any personal financial interest or the financial interest of any member of such person's family.


No employee, regardless of level, is permitted to engage in any business or conduct or enter into any agreement or arrangement that would give rise to actual or potential conflicts of interest. Employees shall not permit themselves to be placed in a position that might give rise to the appearance that a conflict of interest has arisen.

While it is not possible to describe all circumstances where a conflict of interest exists or may exist, the following situations may involve actual or potential conflicts of interest:

- An employee's interest in, or ownership with, any supplier, customer or competitor of Baystar (except for an investment in publicly traded securities as described below).
- The acceptance of gifts or favors of more than nominal value by an employee (or a member of an employee's immediate family) from an actual or prospective customer, supplier or competitor of Baystar or any governmental official.
This does not preclude the acceptance by an employee of reasonable business entertainment (such as a lunch or dinner or events involving normal sales promotion, advertising or publicity).
- The disclosure or use of confidential information gained by reason of employment with Baystar for profit or advantage by an employee or anyone else.
- Competition with Baystar in the acquisition or disposition of rights or property.

The following situations should not be considered conflicts of interest:

- Ownership of publicly traded securities of a supplier, customer or competitor of Baystar that do not grant the holder of the publicly traded securities any ability to influence or direct the policies or management of the supplier, customer or competitor.
- A transaction with one of the Baystar's banks, where the transaction is customary and conducted on standard commercially available terms (such as a home mortgage or bank loan).
- A transaction or relationship disclosed in accordance with this Code and determined by outside legal counsel not to be a prohibited conflict of interest.



These examples are given only to guide employees in making judgments about conflicts of interest. If any employee finds himself or herself in a situation where a conflict of interest exists or may exist, he or she shall immediately report the matter as provided below.

REPORTING CONFLICTS OF INTEREST INVOLVING EMPLOYEES

Actual or potential conflicts of interest involving an employee, or a member of such person's immediate family, must be reported in writing by the affected person (or by others having knowledge of the existence of the actual or potential conflicts of interest) to the employee's immediate supervisor, who shall consult with Baystar's HR Manager and General Counsel to determine whether a conflict of interest actually exists and to recommend measures to be taken to neutralize the adverse effect of the conflict of interest reported, if such measures are available or appropriate under the circumstances. This procedure will be applied so as to minimize its effect on the personal affairs of employees consistent with the protection of the Baystar's interests. The matter may also be referred to the Board for its approval or rejection.

Any member of Baystar's management having a possible conflict of interest in any proposed transaction or arrangement is not permitted to use his or her personal influence on the matter being considered by the Board. The minutes of the Board meeting shall reflect the disclosure and the absence from the meeting of the interested member of the management.

IV. REPORTING AND RECORD KEEPING

BAYSTAR BOOKS AND RECORDS

Baystar requires honest and accurate recording and reporting of information in order to make responsible business decisions. As such, Baystar's books, records and accounts must accurately and fairly reflect the Company's transactions in reasonable detail and in accordance with the Company's contractual obligations to its member companies, accounting practices and record retention policy.

INTERNAL CONTROLS

Baystar President and Director of Finance are responsible for implementing and maintaining a system of internal accounting controls sufficient to provide reasonable assurances that:

- Transactions are executed in accordance with Board's and management's general or specific authorization;
- Transactions are recorded as necessary to: (a) permit the preparation of financial statements in conformity with generally accepted accounting principles or any other applicable criteria and (b) maintain accountability for assets; and
- Access to assets is permitted only in accordance with Board's or management's general or specific authorization.

EMPLOYEE CONDUCT

No employee of Baystar is permitted to willfully, directly or indirectly:

- Falsify, or cause or request someone else to falsify, any record, book or account of Baystar including but not limited to an invoice, an incident report, time sheet or expense report; or
- Make, or cause to be made, any materially false or misleading statement or omit to state, or cause another person to omit to state, any material fact in connection with any audit or examination of Baystar's financial statements or any other audit or reporting by a governmental agency.

Employees must exercise reasonable due diligence in order to avoid the events described above. If an employee believes that Baystar's books and records are not being maintained in accordance with these requirements, the employee shall follow the procedures outlined in Baystar Duty to Report Policy.

V. USE OF BAYSTAR PROPERTY AND RESOURCES

PROTECTION AND PROPER USE OF COMPANY ASSETS

The use of any Baystar funds or assets for any unlawful or improper purpose is prohibited. All employees shall endeavor to protect Baystar's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on Baystar's profitability. Any suspected incident of fraud or theft shall be reported immediately for investigation in accordance with Duty to Report Policy. Baystar equipment should not be used for non-business related purposes, though incidental personal use may be permitted (such as occasional use of Baystar's stationery, supplies, copying facilities or telephone when the cost to Baystar is insignificant).

The obligation of employees to protect Baystar's assets includes an obligation to protect Baystar's proprietary information including information entrusted to Baystar by its member companies and third parties. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information violates Baystar policy and could also be illegal and result in civil or criminal penalties.

QUESTIONABLE OR IMPROPER PAYMENTS AND GIFTS

Payments or Gifts Made. No payments or gifts from the Company's funds or assets shall be made to or for the benefit of a representative of any domestic or foreign government (or subdivision thereof), labor union or any current or prospective customer or supplier for the purpose of improperly obtaining a desired government action or any sale, purchase, contract or other commercial benefit. This prohibition applies to direct or indirect payments made through third parties and employees and is also intended to prevent bribes, kickbacks or any other form of payoff.

Payments or Gifts Received. Employees of Baystar shall not accept payments or gifts of the kinds described in this Section V.

Gifts to Government Personnel. In the United States, nothing of value (for example, gifts or entertainment) may be provided to government personnel unless permitted by law and any applicable regulation. Commercial business entertainment and transportation that is reasonable in nature, frequency and cost is permitted. Reasonable business entertainment or transportation includes, without limitation, a lunch, dinner or occasional athletic or cultural event; gifts of nominal value (approximately \$100 or less); entertainment at Baystar's facilities or other authorized facilities; or authorized and reasonable transportation in Baystar's vehicles. In addition, reasonable business entertainment covers traditional promotional events sponsored by Baystar.

Proper Documentation. All arrangements with third parties (such as distributors or agents) should be evidenced or memorialized in a written contract, order or other document that describes the goods or services that are in fact to be performed or provided and should be for reasonable fees or costs.



CARING

TRUSTWORTHY

FOCUSED

INNOVATIVE

FUN

CORPORATE OPPORTUNITIES

Without the written consent of the Board, employees are prohibited from taking for themselves an opportunity that is (1) a potential transaction or matter that may be an investment or business opportunity or prospective economic or competitive advantage in which the Company could reasonably have an interest or expectancy or (2) discovered through the use of corporate property, information or position. In addition, all employees are prohibited from using corporate property, information or position for personal gain and competing with Baystar directly or indirectly. Baystar employees owe a primary duty to Baystar to advance its legitimate interests when the opportunity to do so arises.

VI. BUSINESS AND TRADE PRACTICES

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Obeing the law, both in letter and in spirit, is the foundation upon which Baystar's ethical standards are built. All employees must respect and obey the laws of the cities, states and countries in which Baystar operates. Although employees are not expected to know every law that is applicable to Baystar, it is important that employees know enough to ask questions and seek advice from supervisors, managers, lawyers or other appropriate personnel if they have any doubt regarding the legality of an action taken, or not taken, on behalf of Baystar. For this reason, Baystar periodically organizes information and training sessions to promote compliance with laws, rules and regulations applicable to Baystar and all invited employees are expected to attend these information and training sessions.

FAIR DEALING

All employees shall endeavor to deal fairly with Baystar's customers, suppliers, competitors and employees. No employee shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other practice involving unfair dealing. Baystar's employees must be [trustworthy](#).

ANTITRUST AND FAIR COMPETITION

Baystar employees shall at all times comply with the letter of the spirit of antitrust and fair competition laws. This means that Baystar will not make arrangements with competitors about prices or terms of engagement, communicate with competitors about bids or share information with competitors about our cost structure. Baystar employees must not engage in discussions with competitors about contract terms, costs, suppliers, bids, marketing initiatives or strategic plans. All questions regarding antitrust laws should be directed to the General Counsel. For more information, please consult the Competition Law Policy.

CONFIDENTIALITY

All employees shall maintain the confidentiality of information entrusted to them by Baystar or its customers, except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that, if disclosed, might be of use to competitors or harmful to Baystar or its customers. Confidential information also includes written material provided and information discussed at all meetings of the Board or any committee thereof and all information that is learned about Baystar's suppliers and customers that is not in the public domain. The obligation to preserve confidential information continues even after employment or agency with Baystar ends. Any documents, papers, records or other tangible items that contain trade secrets or proprietary information are Baystar's property or the property of its owners and third parties.

VII. HEALTH SAFETY AND ENVIRONMENTAL POLICY

Baystar is committed to conducting its business in compliance with applicable health, safety and environmental laws, rules and regulations in a manner that has the highest regard for the health and safety of human life and the environment. Each employee has the responsibility for maintaining a healthy, safe and environmentally-friendly workplace by following health, safety and environmental laws, rules and regulations and reporting accidents, injuries and unsafe equipment, practices or conditions.

All employees shall be aware that health and safety laws may provide for significant civil and criminal penalties against individuals and Baystar for the failure to comply with applicable requirements. Accordingly, each employee must comply with all applicable safety and health laws, rules and regulations, including occupational safety and health standards.

All employees shall be aware that environmental laws may provide for significant civil and criminal penalties against individuals and/or Baystar for failure to comply with applicable requirements. Accordingly, each employee must comply with all applicable environmental laws, rules and regulations.

Employees shall report to work in a condition allowing them to perform their duties free from the influence of drugs, alcohol or other controlled substances. The use of illegal drugs in the workplace will not be tolerated. All employees are subject to Illicit Drug, Marijuana and Alcohol Policy.

We strive for and expect that Baystar is a safe place to work. Violence and threatening behavior are not permitted.

It is Baystar's policy to cooperate with all governmental investigative authorities. Each employee shall retain any record, document or tangible object of Baystar that is known to be the subject of an investigation or litigation.

It is a violation of this Code for any employee to knowingly alter, destroy, mutilate, conceal, cover up, falsify or make a false entry in any record, document or tangible object with the intent to impede, obstruct or influence the investigation or proper administration of any matter including within the jurisdiction of any state, federal department or agency or any bankruptcy or in relation to or contemplation of any such matter or case.

VIII. EMPLOYMENT PRACTICES & WORK ENVIRONMENT

EMPLOYEE RELATIONS

All employees, regardless of position, shall do their best to work together to meet the following objectives:

- Respect each employee, worker and representative of customers, suppliers and contractors as an individual, showing courtesy and consideration and fostering personal dignity;

- Provide a workplace free of harassment of any kind, including on the basis of race, color, gender, religion, age, national origin, citizenship status, military service or reserve or veteran status, sexual orientation or disability;
- Provide and maintain a safe, healthy and orderly workplace; and
- Assure uniformly fair compensation and benefit practices that will attract, reward and retain quality employees.

In addition to the objectives set forth above, members of the management team are expected to:

- Use good judgment and exercise appropriate use of their influence and authority in their interactions with employees, customers, suppliers, contractors and partners of the Company; and
- Keep other employees generally informed of Baystar’s policies, plans and progress through regular communications.

DIVERSITY AND INCLUSION POLICY

Baystar values the diversity of its employees and is committed to providing an equal opportunity in all aspects of employment to all employees without regard to race, color, gender, religion, age, national origin, citizenship status, military service or reserve or veteran status, sexual orientation or disability. All employees should use reasonable efforts to seek business partners for Baystar that do not discriminate in hiring or in their employment practices, and who make decisions about hiring, salary, benefits, training opportunities, work assignments, advancement, discipline, termination and retirement solely on the basis of a person’s ability to perform the tasks required by their position.

DATA PRIVACY

As a company, Baystar is responsible in handling of its employees and business partner’s personal information. It is essential that everyone can have confidence that Baystar will treat all personal information of its employees and business partners sensitively, in confidence and in line with legal obligations.

Certain employees may, as part of their role, legally handle personal information about other employees or about third parties. Those employees will receive specific training on what is expected and required from them in regard to the responsible handling of such data.

FREEDOM OF ASSOCIATION

Baystar recognizes and respects the right of employees to exercise their lawful rights of free association, including joining or electing not to join any association. Baystar expects its business partners to also adhere to these principles.

DISCIPLINARY PRACTICES

Baystar will not condone any type of harassment, abuse or punishment, whether corporal, mental or physical, of an employee by an employee or any partner, customer or supplier of Baystar.

IX. REPORTING VIOLATIONS

Baystar trains and encourages ethical behavior.

Employees shall report violations of applicable laws, rules and regulations, this Code or any other code, policy or procedure of Baystar to appropriate personnel or follow the procedures outlined in the Duty to Report Policy.

All employees are expected to cooperate in internal investigations of misconduct.

X. WAIVERS OF THIS CODE

Any waiver of a provision of this Code may be made only by the Board. The waiver must also provide the reasons for the waiver.

XI. AMENDMENTS TO THIS CODE; CONFLICTS

Baystar reserves the right to add to, modify and rescind this Code or any portion of it at any time. This Code governs in the event of any conflict or inconsistency between this Code and any other materials distributed by the Company. If a law conflicts with a policy in this Code, you must comply with the law.

Any amendment to this Code shall be made only by the Board. If an amendment to this Code is made, appropriate announcements will be made within two business days after the amendment has been made.

XII. POSTING REQUIREMENT

Baystar shall post this Code on Baystar's website.

ANNEX A

CODE OF CONDUCT CERTIFICATION

I have read and understand the Code of Conduct (the “Code”) of Bayport Polymers LLC (the “Company”). I agree that I will comply with the policies and procedures set forth in the Code. I understand and agree that, if I am an employee of the Company or one of its subsidiaries or other affiliates, my failure to comply in all respects with the Company’s policies, including the Code, is a basis for termination for cause of my employment with the Company and any subsidiary or other affiliate to which my employment now relates or may in the future relate.

In addition, I agree to promptly submit a written report to General Counsel describing any circumstances in which:

1. I have reasonable basis for belief that a violation of the Code by any person has occurred;
2. I have, or any member of my family has or may have engaged in any activity that violates the letter or the spirit of the Code;
3. I have, or any member of my family has or may have an interest that violates the letter or the spirit of the Code; and
4. I or any member of my family may be contemplating an activity or acquisition that could be in violation of the Code.

I am unaware of any violations or suspected violations of the Code by any employee except as described below or on the attached sheet of paper. (If no exceptions are noted, please check the space provided below.)

_____ No exceptions

To the best of my knowledge and belief, neither I nor any member of my family has any interest or affiliation or has engaged in any activity that might conflict with the Company’s interest, except as described below or on the attached sheet of paper. (If no exceptions are noted, please check the space provided below.)

_____ No exceptions

I am aware that this signed Certification will be filed with my personal records in Baystar’s Human Resources Department.

Signature

Type or Print Name

Date



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