



voice

Commitment to compliance

16th April 2009

At Innospec we are determined to run our operations to the highest ethical and professional standards. In practical terms we have to comply with the increasingly complex laws and regulations governing our global business activities. Every business transaction we undertake must be conducted in compliance with the US Foreign Corrupt Practices Act (FCPA) and local anti-bribery laws.

Following these rules and regulations is a matter for each and every one of us. It affects you directly because violations could lead to severe penalties and fines for Innospec. For any officer, director or employee that fails to live up to our standards there would be serious individual consequences.

We have put clear guidelines in place that explain how we deal with corporate governance issues and what we expect from you. These can be found in our Code of Ethics and FCPA Policy. It is up to you to understand what your responsibilities are.

As your new CEO I want to send out a clear message. I am deeply committed to compliance and I expect your complete support at all times with adherence to the highest standards of corporate governance and ethics. I see this as fundamental to our long-term success. We must make our commitment together that compliance forms an integral part of all of our business activities. This is one of our company's core values and is part of working for Innospec.

Our Enhanced Compliance Program

You will remember that in July 2008 we launched an Enhanced Compliance Program to help ensure our business complies with the highest ethical standards. The Program sets out rigorous procedures for developing relationships with third parties.

Our objective is to make sure that Innospec only deals with organizations and individuals that share our high ethical and professional standards. The responsibility for following these compliance procedures ultimately falls to each of us, as Innospec employees. In some way we are nearly all involved in decisions about which customers, distributors, agents, consultants, suppliers and countries we do business with.

Your responsibilities

From time to time we are going to remind you of your responsibilities under our Enhanced Compliance Program. There are six key points to consider about dealing with third parties.

1. No services are to be performed by any third party on behalf of Innospec or transactions entered into between Innospec and any third party until the Business Manager has received a confirmatory email from the Legal and Compliance Department that (1) the third party has been approved from a due diligence perspective; and (2) a written agreement has been executed by Innospec and the third party.
2. The Legal and Compliance Department maintains an Agents Register. Innospec will not pay commissions to any agent not on this list. See http://www.innospecinc.net/4/CorporateDepartments/LegalServices/OA_114582.
3. A new third party may only be set up on Innospec's financial system once due diligence has been completed and Legal and Compliance have given specific authority.
4. If a third party has been terminated or suspended, it may only be re-activated after going through a new due diligence process and receiving the authority of Legal and Compliance.
5. No changes to the confirmed rate of commission appearing on Innospec's financial system may be made unless the authority of Legal and Compliance has been obtained.
6. No payments of any nature except for approved commission payments may be made unless the authority of Legal and Compliance has been obtained.

Compliance is not just about our relationship with third parties. The scope of the anti-bribery laws extends to all business activities including relations with government-related entities and state-owned enterprises. They cover gifts, travel and entertainment to government officials, companies involved in mergers and acquisitions and charitable contributions. Our FCPA Policy and Procedures for Gifts, Travel and Entertainment describe these guidelines in detail.

Be in no doubt that Innospec takes its commitment to compliance extremely seriously. That is why we are dedicated to reinforcing our Enhanced Compliance Program through online and face-to-face training. At the same time we must be able to demonstrate that we are actively following these procedures. This has been highlighted by the ongoing US and UK government investigations into our trading with Iraq under the Oil for Food Program between 2001 and 2003 and related issues.

If you are uncertain about the correct course of action to take, please seek advice from our Legal & Compliance team. Do not take matters into your own hands and make assumptions about compliance issues.

Don't forget that failure to comply will be taken seriously and violations will result in immediate disciplinary action. This can include termination of employment. Any employee who suspects or becomes aware of any violation must immediately report the violation to our Legal & Compliance team. Remember you can make a report anonymously through our external ExpoLink hotline.

With your support our Enhanced Compliance Program will add strength to our business going forward. Be proud to work for a company that has high standards. It is up to all of us to lead by example.

Summary

Compliance sits at the very heart of Innospec's business

- As your new CEO, I am personally committed to the highest standards of corporate governance and ethics
- Our Enhanced Compliance Program sets out rigorous procedures for dealing with third parties
- It is up to each employee to understand their responsibilities with regards to compliance
- Failure to comply with our Code of Ethics and FCPA Policy will have serious consequences
- If in doubt about what action to take ask our Legal & Compliance team



Patrick Williams
President & Chief Executive Officer



one focus - one direction - one business