



## Policies and Procedures

Section: <b>FINANCE</b>	Subject No: <b>ACC-009</b>	Page No: <b>1 of 1</b>
Subject: <b>LEASE ACCOUNTING POLICY</b>	Date Issued: <b>12/03/2021</b>	Supersedes: <b>N/A</b>

### **POLICY/ PURPOSE:**

The purpose of this policy is to establish standards and procedures to ensure that lease transactions are in accordance with US Generally Accepted Accounting Principles ("US GAAP") and Daikin policy EN\_Part 19 leases. The purpose of this policy is to provide guidelines for lease accounting. Any non-compliance to this policy requires approval by the J&E Hall Director of Finance with notification to the Managing Director.

### **SCOPE:**

This policy applies to all lease transactions of the Company, its subsidiaries (Coulstock & Place) and business units.

### **POLICY AND PROCEDURES:**

The Company (J&E Hall) has fully adopted the accounting policy set down by its parent Daikin Industries Limited and is following **EN\_Part 16\_ Leases**. All future references will be made to EN\_Part 16.

/s/ Gary Burnett  
Finance Director, J&E Hall Ltd.