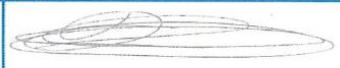
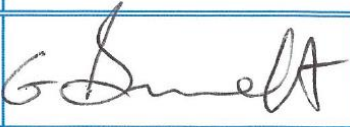


ANTI BRIBERY & ANTI- CORRUPTION POLICY

Policy Owner – Compliance Manager

Document History

Issue	Date	Amendment Comment
Issue 1	01/01/2014	General Issue
Issue 2	01/04/2016	To include Daikin Requirements
Issue 3	01/04/2017	Review section 4.3
Draft	01/10/2017	Amended, submitted for approval
Issue 4		General Issue
Issue 5	31/01/2019	Change to Appendix 1 to include presenting or receiving gift or hospitality
Issue 6	31/12/2020	Amended following Daikin review

Document Authorisation

Description	Name	Sign
Prepared By:	Mr M Jefkins	
Reviewed By:	Mr G Burnett	
Authorised By:	Mr A Bowden	

In this Policy, the references to "Company", "we", "our", "us" refer to J & E Hall Limited and its subsidiary companies.

Compliance Manager means Gary Burnett, Director of Finance who is responsible for the day-to-day implementation of this Policy and the monitoring of its use and effectiveness.

Ledger Manager means Martin Jefkins, Senior Manager – HR, who is responsible for maintaining the Gift and Hospitality Register.

1. Policy statement

- a) It is J & E Hall's Policy to conduct all our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting fairly and with integrity in all our business dealings and relationships wherever we operate. We are also committed to implementing and enforcing effective systems to counter bribery.
- b) We will uphold all laws relevant to countering bribery and corruption in any jurisdictions in which we conduct our business. However, we remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad.
- c) The purpose of this Policy is to:
 - a. set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
 - b. provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.
- d) For individuals, bribery and corruption are punishable by up to ten years' imprisonment. If the Company is found to have taken part in corruption it could face an unlimited fine, be excluded from tendering for public contracts and face damage to its reputation. We therefore take our legal responsibilities very seriously.
- e) We have identified that the following are risks for our business:
 - a. our agents and distributors frequently operate in jurisdictions outside the UK. Bribery and corruption may be more prevalent in those jurisdictions.
- f) To address those risks:
 - a. this Policy will be made available to all our workers, agents, and distributors; and
 - b. the Compliance Manager has been tasked with ensuring that agents and distributors are subject to a regular review and verification process.
- g) In this Policy, "third party" means any individual or organisation you come into contact with during the course of your work for us, and includes, without limitation, actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, joint ventures and government and public bodies, (including their advisers, representatives and officials, politicians and political parties).
- h) This Policy applies to all individuals working at all levels and grades, including directors, senior managers, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers, agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as "you" in this Policy).

2. What is bribery and corruption?

A bribe is an inducement, payment, reward or advantage offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. It is illegal to directly or indirectly offer a bribe or receive a bribe. It is also a separate offence to bribe a government official.

Remember that a bribe may be anything of value and not just money, such as:

- gifts
- corporate hospitality or entertainment
- payment or reimbursement of travel expenses charitable donation or social contribution
- offer of employment for a government official or a relative of the government official
- offer of a scholarship to a relative of a government official

The following is a list of possible red flags that may arise during you working for us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only. If *you* encounter any *of* these red flags while working for us, you have responsibility to report them promptly to your Line Manager and the Compliance Manager as set out in How to Raise a Concern in section 11:

- you suspect or become aware that a third party engages in, or has been accused of engaging in, improper business practices.
- you learn that a third party has a reputation for paying bribes, or requiring that bribes be paid to them, or has a reputation for having a "special relationship" with foreign government officials.
- a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us or carrying out a government function or process for us.
- a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made.
- a third party request that payment is made to a country or geographic location different from where the third party resides or conducts business.
- a third party request an unexpected additional fee or commission to "facilitate" a service.
- a third party demand lavish entertainment, hospitality, or gifts before commencing or continuing contractual negotiations or provision of services.
- a third party request that a payment is made to "overlook" potential legal violations.
- a third party request that you provide employment or some other advantage to a friend or relative.
- you receive an invoice from a third party that appears to be non-standard or customised.
- a third party insists on the use of side letters (i.e. agreed terms in a letter or other document outside the written contract between the parties) or refuses to put terms agreed in writing.
- you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
- a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.
- you are offered an unusually generous gift or offered lavish hospitality by a third party.

Examples of Bribery:

Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. It is also an offence for the potential client to accept your offer. Providing clients with hospitality is acceptable provided the requirements set out in section 8 are followed.

Receiving a bribe

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them. It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage. You must make it clear that you cannot accept the offer and report it to your Line Manager and the Compliance Manager.

Bribing a government official

You are asked to arrange for an additional payment to a customs official to speed up an administrative process. The offence of bribing a government official has been committed as soon as the arrangement is made. This is because it is made to gain a business advantage for us. It is illegal to make a facilitation payment and such payment must not be made even if doing business is made more difficult for the Company if we refuse. You must never make such an offer. More guidance is set out in Section 4.

3. Gifts and Hospitality

Gifts and hospitality refer to not only money or goods but also provision of anything to satisfy individual's demand or desire, including provision of tangible or intangible property, such as accommodation of funds, free provision of real property, sexual services, grant of professional position.

- a) This Policy does not prohibit proportionate and appropriate gifts, hospitality, entertainment and promotional or other similar business expenditure such as calendars, diaries, meals and invitations to arts and sporting events (given and received) to or from third parties.
- b) The practice of giving gifts and hospitality is recognised as an established and important part of doing business. However, they can be used as bribes. Giving gifts and hospitality varies between countries and regions and what may be normal and acceptable in one may not be in another. To avoid committing a bribery offence, the gift or hospitality must:
 - a. be reasonable and justifiable in all the circumstances; **and**
 - b. have the intention to improve the image of the commercial organisation, better present its products and services, or establish cordial relations; **and**
 - c. be recorded on the Gift and Hospitality Register.
- c) The **giving** or **receipt** of gifts or hospitality is acceptable, if **all** the following requirements are met:
 - a. it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits or for any other corrupt purpose;
 - b. it complies with local law.
 - c. it is given in our name, not in your name.
 - d. it does not include cash or a cash equivalent (such as gift certificates or vouchers).
 - e. it is appropriate in the circumstances. For example, in some countries it is customary for small gifts to be given at Christmas time.
 - f. considering the reason for the gift or hospitality, it is of an appropriate type and given at an appropriate time.

- g. it is given openly, not secretly and is given in a manner that avoids the appearance of impropriety.
- h. gifts and hospitality must not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior written approval of the Compliance Manager
- i. All entertainment, gifts, and invitations within the period of three months before and after a competitive bidding period are prohibited.
- j. The value is in accordance with the Company Levels of Authority (LOA).
- k. It is recorded in the Gift and Hospitality Register.

What is not acceptable?

It is **not** acceptable for you (or someone on your behalf) to:

- a) accept an offer of a gift of any size from a Company which is in negotiation with or is tendering for a contract with us. (See Section 4.3 (i).
- b) give, promise to give, or offer, any payment, gift, hospitality, or advantage with the expectation or hope that a business advantage will be given or received, or to reward a business advantage already given.
- c) give, promise to give, or offer, any payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure.
- d) accept or solicit any payment or advantage from a third party that you know, or suspect is offered with the expectation that it will obtain a business advantage for them.
- e) accept or solicit a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return.
- f) threaten, or retaliate against, another worker who has refused to commit a bribery offence or who has raised concerns under this Policy.
- g) engage in any activity that might lead to a breach of this Policy.

4. Bribery of public officials:

Public officials refer to the following five types of persons regardless of the level of the person within the organization:

- a) Persons holding legislative, administrative, or judicial offices of national or local government bodies.
- b) Employees of agencies affiliated with national or local government bodies (semi-government corporations).
- c) Employees of state-run or public enterprises.
- d) Employees of UN or other public international organizations.
- e) Agents or representatives of the entities in a) to d) above.

In addition to the above persons, there is also a risk that illegal benefits provided to family members of the above persons or to corporations or organizations affiliated with such family members may also be considered bribery of public officials.

This Policy is intended to establish procedures, but also to prevent bribery to public officials by all J & E Hall Group employees.

This includes not only cash, but also the provision of gifts or other property, services, or other benefit (for example contributions; investments; loans at preferential terms; invitations to travel, theatre tickets and sexual services).

Therefore, a major precondition for operation of these guidelines is that expenses which have corrupt purposes are considered bribery and are not permitted under any circumstances. Such expenditures by employees themselves are also completely prohibited.

Detailed and accurate records must be created in the Gift and Hospitality Register of all expenditures in relation to entertainment, gifts and invitations that are paid to public officials regardless of the amounts involved.

Appropriate gifts and hospitality to the same public official must have a monetary threshold no higher than USD 250 within one financial year. Gifts and hospitality over this monetary threshold must be

- a) signed off on record by the Managing Director of J & E Hall, and
- b) before signing-off such over the threshold expenses, the Managing Director will, on record, consult the Company Compliance Manager.

Inviting a public official to visit our offices or other locations (such as hotels and exhibition venues) is permitted. Gifts and hospitality provided during such an invitation must comply with the following:

- a) An invitation must be clearly necessary for business purposes of product demonstrations, explanations, or other sales promotion activities, for providing training to public officials, for accepting necessary investigation for permit or license of products, or for performing a contract, and the expenses to be borne by the company must be reasonable.
- b) The period and schedule of the invitation must be consistent with its purpose.
- c) If the company bears expenses for air travel, accommodation, or other items, these must be arranged by the company and no additional expenses must be provided.
- d) Means of transportation, accommodation, and other items must not be luxurious compared to company's internal rule.
- e) If an expense such as for nearby sightseeing during weekends, holidays or free time on weekdays, which does not involve overnight stays, will be borne by the company as incidental to the invitation, the extent and amount must be reasonable.

5. Guidelines for Contracting of Operations to Third Parties

When a third party (such as an agency, agent, or consultant) provides information or offers services as a medium, agent, or intermediary for a business deal, on our behalf it is possible that they may engage in bribery of public officials to obtain business opportunities or other benefits for our Company.

In such cases we will also be held responsible for bribery of a public official if we were aware or should have been aware of the bribery.

Therefore, when appointing a third party, we must comply with any and all established internal procedures, make clear the business necessity of appointing the third party, and check the points below by using publicly available information and other means. In cases when the ongoing dealings will take place in the country of a high level of corruption, or when larger financial amounts are involved in the dealings with public officials, a more careful advance check is necessary. In some cases, the use of an investigative agency such as an inquiry agency should be considered.

- a) Whether there has been any coverage regarding the criminal record (including bribery), reputation, or scandals in the past.
- b) Whether there is any demand for unusual methods of invoicing/rendering payment, such as:
 - a. Commission or fees which are abnormally high or for which the basis of calculation is unclear.

- b. Requests for payments of unclear nature.
 - c. Requests for method of payment via a third country or any different party other than such third party.
 - d. Requests for payment of commission or fees prior to execution of the contract or for payment prior to the provision of services (except in cases which are considered in common considering the contract type, industry practices, etc.).
 - e. Whether there are any connections to public officials, for example relatives of public officials, among the company directors.
 - f. Recommendations from public officials.
- c) Check of the actual corporate status, past results, expertise, technical abilities, and implementation system.
 - d) Whether there are any documented contracts and records (book entries, issuance of receipts, etc.).
 - e) Whether the party will approve audits conducted by our Company.
 - f) Whether any other acts which may induce the bribery.

Before the start of dealings with a third party, at a minimum the following items must be included in the contract or similar document:

- a) The third party shall comply with all laws and regulations related to preventing bribery of public officials.
- b) The third party shall keep accurate and complete accounting records concerning all expenditures related to the operations.
- c) The third party shall, upon request from our Company, permit our Company to audit its legal compliance and accounting records.
- d) In the case of a violation of any of the above, our Company may immediately terminate the contract and claim damages from the counter party.

6. Facilitation payments and kickbacks

We do not make, and will not accept, facilitation payments or “kickbacks” of any kind. Facilitation payments are typically small, unofficial payments (sometimes known as ‘grease’ payments) made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK but are common in some other jurisdictions in which we operate.

Kickbacks are typically payments made in return for a business favour or advantage. You must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the Company.

We are committed to our Policy of not making facilitation payments. The only limited exception to this is in circumstances where you or third parties are left with no alternative but to make payments to protect against loss of life, limb, or liberty. In the event that you experience such circumstances and make a payment it is your responsibility to contact your Line Manager and the Compliance Manager as soon as possible after the event, so that it can be properly recorded, reviewed and accounted for.

7. Donations

We do not make contributions to political parties, political party officials or candidates for political office. We only make charitable donations that are legal and ethical under local laws and practices. All charitable donations must be made in accordance with the Company Donations Policy, all of which require the prior approval of the Managing Director. You are not allowed to make any offer or donation for charitable purposes without the prior written approval of the Compliance Manager.

8. Your responsibilities – Gifts and Hospitality

You must ensure that you read, understand, and comply with this Policy. If you have any doubts or concerns, contact your Line Manager or the Compliance Manager.

You must notify your Line Manager and the Compliance Manager as soon as possible if you believe or suspect that a conflict with this Policy has occurred or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with us or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in the schedule section at the end of this Policy.

Any employee who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with you if you breach this Policy.

Before engaging in any gift or hospitality giving you must follow the procedure detailed below:

- a) Complete the Gift and Hospitality Form (appendix 1).
- b) Obtain approval from your Line Manager to submit the Gift and Hospitality Form.
- c) Submit the Gift and Hospitality Form to the Ledger Manager.
- d) Receive confirmation from the Ledger Manager that the gift or hospitality is appropriate and approved.

Following the gift giving or hospitality you must follow the procedure detailed below:

- a) Calculate the actual amount of the gift or hospitality and enter it into the Gift and Hospitality Form.
- b) Submit the Gift and Hospitality Form to the Ledger Manager along with a copy of any receipts.
- c) Any expenses incurred must be claimed in line with our Expenses Policy.
- d) The Ledger Manager will record the actual expenditure in the company Gift and Hospitality Register.
- e) If the expenditure was significantly higher than originally proposed the Ledger Manager will follow up with the employee and their Line Manager to ensure this Policy has been adhered to.

9. Your responsibilities – Invitations to Public Officials

Before any invitation is issued you must follow the procedure detailed below:

- a) Complete the Public Official Invitation Record and Checklist (Appendix 2).
- b) If entertainment or gift giving is planned during the invitation period, the employee shall create the Public Official Entertainment or Gift Request Form and complete the designated procedures.

During and following the event you must follow the procedure detailed below:

- a) to carry out the invitation while complying with the items that were checked in the Invitation Checklist and do so in accordance with the contents listed.
- b) Enter any expenses paid to the public official in the Public Official Invitation Record and Checklist and submit to the Ledger Manager.
- c) The Ledger Manager will record the event in the Company records.
- d) Complete the Gift and Hospitality Form if needed.

10. Record keeping

The Company has appointed the Senior Manager – HR as it's Ledger Manager who is responsible for:

- a) Checking for omissions or errors in the Gift and Hospitality Register Form (that is submitted by the Applicant) and enters the necessary items into the Company Records.
- b) Store copies of the Gift and Hospitality Register Form and copy of receipts (if applicable).
- c) Store copies of the Public Official Invitation Record and Checklist Form and copy of receipts (if applicable).
- d) Create, suitably manage, and store the Gift and Hospitality Register Forms for each business year.

Every employee is responsible for submitting relevant records when engaging in any giving, or receipt, of gifts and hospitality and following the guidelines within this policy, specifically:

- a) Check whether each item in this manual applies or does not apply.
- b) Complete the Gift and Hospitality Register Form and submit it to the Ledger Manager.
- c) Follow the procedure listed in this Policy and obtain a decision by their Line Manager for approval.
- d) Calculate the actual expenses after the gift or hospitality and enter them into the Gift and Hospitality Register Form then submit it to the Ledger Manager.
- e) Create and complete the Public Official Invitation Record and Checklist and obtain a decision by their Line Manager for approval.
- f) After the invitation, enter the expenses paid on behalf of the public official in the Public Official Invitation Record and Checklist and submit it to the Ledger Manager.

It is the responsibility for employees Line Managers to check that the Gift and Hospitality Register Form, which was created by the Applicant and received by the Ledger Manager, matches the entertainment or gift that is actually planned, and check for any errors or omissions in the contents before making a decision.

It is the responsibility of the employees Business Unit Manager in the case of entertainment or gifts that exceed the standard amount, to discuss the matter with the Compliance Manager and decide whether to approve it.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers, and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts will be kept "off-book" to facilitate or conceal improper payments.

The retention period for the Gift and Hospitality Register will be 7 [seven] years.

11. How to raise a concern

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage.

If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your Line Manager in the first instance. Alternatively, you can contact the Compliance Manager.

If you are uncomfortable reporting it to these individuals, or you believe they may be complicit, then please report using the company whistleblowing policy.

12. What to do if you are a victim of bribery and corruption

It is your responsibility to tell your Line Manager and the Compliance Manager as soon as possible if you are offered a bribe by a third party, you are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

You must refuse to accept or make the payment from or to a third party, explain our Policy against making such payment, and make it clear that the refusal is final and non-negotiable because of our anti-bribery and

corruption Policy. If you encounter any difficulty in making this refusal, you should seek assistance from your Line Manager.

13. Protection

Those who refuse to accept or offer a bribe, or those who raise concerns or report another's wrong doing, are sometimes worried about possible repercussions. We encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats, or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform your Line Manager or the Compliance Manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally using the Company Grievance Procedure. Detrimental treatment includes dismissal, discrimination, disciplinary action, threats, or other unfavourable treatment connected with raising a concern.

14. Training/Instruction and Communication

Training/instruction on this Policy forms part of the Induction Process of all new employees, and a yearly schedule of training is provided for all employees. All employees are required to adhere to any relevant training/instruction on how to implement and adhere to this Policy.

Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors, and business partners at the outset of our business relationship with them and as appropriate thereafter.

15. Who is responsible for this Policy?

The Board of Directors has overall responsibility for ensuring this Policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Compliance Manager has primary and day-to-day responsibility for implementing this Policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this Policy and are given adequate and regular training/instruction on how to implement and adhere to it.

You are responsible for the success of this Policy and should ensure you use it to disclose and suspected danger of wrong doing.

16. Monitoring and review

The Compliance Manager will monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy, and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

You are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions, and queries should be addressed to the Compliance Manager.

This Policy does not form part of any employee's Contract of Employment and it may be amended at any time

17. Status of this policy

This policy does not give contractual rights to individual employees. The Company reserves the right to alter any of its terms at any time although we will notify you of any changes.

Gift & Hospitality Register

Please use this form in conjunction with our Anti-Bribery and Anti-Corruption Policy. Once completed forward to the Ledger Manager (Senior Manager – HR) for authorisation.

Employee Name	
Department	
I am receiving a gift or hospitality	Yes/No
I am presenting a gift or hospitality	Yes/No
Recipient of gift or hospitality (If a client please include address & contact details)	
Is the recipient a Public Official?	Yes/No
Details of gift or hospitality	
Approximate value	
Date received/given	

	Print Name	Signature	Date
Employee			
Manager			
Ledger Manager			

Confirmation of payment – to be completed by Ledger Manager (Presenting gift or hospitality only)

Print Name	Signature	Date

Public Official Invitation Record and Checklist

Please use this form in conjunction with our Anti-Bribery and Anti-Corruption Policy. Once completed forward to the Ledger Manager (Senior Manager – HR) for authorisation.

Employee Name	
Department	
Name of Public Official	
Capacity of Public Official	
Reason for invitation	
Confirm the invitation is necessary for business purposes of product demonstrations, explanations, or other sales promotion activities, or for executing the contents of a contract, and the expenses to be borne by the company are reasonable.	Yes/No
Confirm the period and schedule of the invitation are consistent with its purpose.	Yes/No
Confirm if the business bears expenses for travel, lodging, or other items, these are arranged by the business and no additional expenses are provided.	Yes/No
Confirm the means of transportation, lodging facilities, and other items are not luxurious.	Yes/No
Confirm if an expense such as for nearby sightseeing which does not involve overnight stays during weekends, holidays, or free time on weekdays will be borne by the business as incidental to the invitation, the extent and amount are reasonable.	Yes/No
Confirm a Gift and Hospitality Register Form accompanies this submission if required	Yes/No

	Print Name	Signature	Date
Employee			
Manager			
Ledger Manager			