
BUSINESS CODE OF CONDUCT AND CORPORATE ETHICS POLICY

Policy Owner – Corporate Legal Manager

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Introduction

This Code of Business Conduct provides a summary of the Company's policies for conducting business in a legal and ethical manner. Our fundamental policy is that all business conducted by J & E Hall Limited, its affiliates and its subsidiary companies (referred to in this document as "J & E Hall" or "Company") must not only comply with all applicable laws and regulations, but must also meet the highest ethical standards. Our belief, simply stated, is that good ethics are good business.

As part of the Daikin Group, we must also follow the Daikin compliance guidelines. Daikin has established fifteen core principles to observe as a basic framework for ethical behaviour. The fifteen principles listed below are embodied in this Business Code of Conduct:

- To provide safe, high quality products and services
- To promote free competition and fair trading
- To observe all trade control laws
- To respect and protect intellectual property rights
- To properly manage and utilise information
- To prohibit insider trading
- To timely and appropriately disclose corporate information
- To preserve the global environment
- To ensure the safety of operations
- To respect human rights and diversity in the workplace and observe applicable Employment laws
- To protect the Company assets
- To follow proper accounting procedures
- To maintain moderation in entertainment and gift activity
- To maintain a strong attitude against anti-social behaviour
- To Develop and Maintain Relationships with Society
- To observe all applicable business laws and regulations

Integrity must be a key element of every aspect of the way we manage the business affairs of J & E Hall. No one should ever compromise sound standards of ethical behaviour, even if based upon a sincere belief that this action might actually help us improve our financial performance. We will always place a high value on honesty, fair dealing and ethical business practice.

The J & E Hall Code of Business Conduct is designed to help you understand what J & E Hall expects of you. It does not cover every ethical issue, but the basics are here to help your general understanding. If you encounter a potential course of action that seems questionable, seek guidance from your line Manager, or from human resources department. J & E Hall encourage open communications regarding any possible violation of J & E Hall's ethical principles.

Compliance with laws and policies

A. Ethical business conduct

It is the policy of J & E Hall Limited and all its subsidiary companies to meet its legal responsibilities and to conduct its business in accordance with high ethical and legal standards. All Company employees are required to observe the highest ethical standards and to comply with all applicable laws in the conduct of the Company's business. To that end, the Company has established this Code of Business Conduct. The purpose of the Code of Business Conduct is to set forth guidelines and standards of ethical and legal behaviour for our employees regarding actions and working relationships with the public, customers, fellow employees, competitors, government representatives, suppliers, and other public and private organisations.

The Code of Business Conduct sets minimum standards of behaviour and provides guidelines to cover the most common situations that you are likely to face. Although a real effort has been made to cover the questions that might be raised in the area of business ethics, no set of policies and procedures can begin to cover every situation that might arise. Nonetheless, employees should conduct the Company's business honestly, fairly and with a keen awareness that your actions impact the Company's reputation and dealings with customers, suppliers, distributors, the communities in which we operate, as well as relevant governmental regulatory and enforcement agencies. This Code of Business Conduct may be supplemented by policies and procedures established by the Company or its divisions or subsidiaries; employees of the Company's divisions and subsidiaries are also required to abide by any such supplemental policies and procedures.

We aim to be a Company that is trusted by society and we shall do our best to act with humility and modesty while at the same time having self-awareness and taking pride in our actions. Moreover, we shall endeavour to participate in social contribution activities centered on environmental conservation, education support, and cooperation with the local community.

- We shall always maintain awareness of our role as a member of the Daikin Group, both inside and outside the company, and take action with humility and modesty in activities that are honourable and considerate of the local community. The sum total of this conduct by each and every one of us will gain the trust of society and lead J & E Hall Limited and all of its business units to becoming a good corporate Company.
- While fostering and promoting strong bonds with society centered on environmental conservation, education support, and cooperation with the local community, the Daikin Group freely participates and plays an active role in social contribution activities that benefit the community with the goal of realizing an affluent, sustainability developing society.

The term "Company" as used in this Code of Business Conduct includes J & E Hall Limited and all of its business units, divisions, subsidiaries and joint ventures.

B. Conflicts of interest

Every employee of the Company has a primary business responsibility to the Company, and must avoid any activity that might interfere, or have the appearance of interfering, with the performance of this responsibility. No director, manager, officer or employee of the Company should place himself or herself in a position where his or her personal interest may be in conflict, or create the appearance of conflict, with the interests of the Company. A conflict of interest is any interest, relationship or activity that is incompatible with the best interest of the Company or that potentially affects a person's objectivity on performing services for the Company.

Some clear conflict of interest situations that should always be avoided include the following:

- Any ownership interest (other than nominal amounts of stocks in publicly traded companies) in any supplier, customer, competitor or other business partner of the Company;
- In accordance with the Company Anti-Bribery and Anti-Corruption Policy, the receipt of any gratuity, entertainment, vacation or pleasure trip, special allowance, discount, loan at a special rate, or other benefit not generally available to the public; or receipt of any gift;

- Any outside activity of any type that is so substantial as to call into question the employee's ability to devote appropriate time and attention to his/her job responsibilities with the Company;
- Serving as a director, manager, officer, employee, partner, consultant or agent of any customer, supplier, competitor or other business partner of the Company, unless such service has been disclosed to the Company and approved by appropriate management in accordance with the Company Levels of authority (as amended);
- Being in a position of supervising, reviewing, or having any influence on the job evaluation, pay, promotion, termination, or benefits of any close relative; and
- Selling anything to the Company or buying anything from the Company (except pursuant to any normal program of disposal of surplus Company property that is offered to all employees in general).

Anything that presents a conflict for the employee would probably also present a conflict if it is related to a member of the employee's family or a close relative. For example, ownership of stock in a competitor or supplier or receipt of excessive gifts or entertainment by members of the employee's immediate family would create the same conflict of interest as if the stock were owned or the entertainment received by the employee. In marginal situations, an employee should discuss the proposed activity with his or her supervisor prior to proceeding with the proposed activity to prevent a violation of this policy, or possible misunderstandings and embarrassment at a later date.

C. Confidential information

Any employee in possession of written or computer accessible Confidential Information should take precautions to maintain the confidentiality of such information. No employee should, without prior written consent, disclose to any unauthorised third party any Confidential Information or use such information other than in furtherance of the Company's legitimate business purpose.

During the course of business, it may be necessary for certain disclosures of Confidential Information to occur in connection with a project or Company activity. A disclosure of Confidential Information to any persons outside of the Company must be done only in conjunction with appropriate confidential information disclosure agreements, which can be provided by the Company's Corporate Department.

In terms of Confidential Information of other companies, the following guidelines apply:

- No employee of the Company should receive Confidential Information of other companies except as authorised pursuant to written confidentiality agreements that can be supplied by the Company's Corporate Department. The Company and our employees could incur civil and criminal liability (as well as public embarrassment) for any improper or unauthorised disclosure of information that has been provided to us in confidence. Therefore, we should receive such information only when there is a clear commercial reason for doing so, and then only under the terms and conditions of a properly drawn agreement that protects both parties' interests and ensures compliance with applicable laws.
- While we should always be alert to our competitive surroundings and obtain as much information as possible about the marketplaces in which we operate, we must do so only in accordance with sound and ethical commercial practices. No employee should ever be a party to any situation in which Confidential Information has been improperly or unlawfully obtained from any other company such as by a former employee.

- If any employee is approached with any offer of Confidential Information that the employee has reason to believe may have been obtained unlawfully or without proper authorization, the employee must immediately discuss the matter with his/her immediate supervisor and the Company's Corporate Department.
- All new employees joining the Company from other organisations must realise that our policy is to fully respect the trade secrets and Confidential Information of the previous employers of our employees, and that no such information should be brought to us or used by the employee in his/her work in our organisation.

"Confidential Information" of our Company and of other companies includes any information that 1) is not generally disclosed, 2) has value to the Company, and/or 3) has value to competitors of the Company. Common examples include such things as financial data, sales figures for individual products or groups of products, planned new products, areas where the Company intends to expand, ways in which we manufacture our products, list of suppliers, lists of customers, wage and salary data, capital investment plans, projected earnings, changes in management or policies of the Company, research, development and testing data, manufacturing methods, suppliers' prices to us, or any plans we may have for improving any of our products. Such information will also likely include any documents containing technical drawings that may be labelled confidential or proprietary.

Finally, the Company recognises that there are laws in many parts of the world governing the processing and transmittal of certain data. These data protection or privacy laws restrict the transmittal or processing of sensitive data and personal data, as applicable, under certain conditions. The Company is committed to complying with applicable data protection and privacy laws. If you have questions about the transmittal or processing of certain data, please contact the Company's Corporate Department or Human Resources Department.

D. Accurate books and records

The Company is required to keep accurate books and records and have an adequate system of internal financial controls. It is a violation of Company policy for any employee to cause the Company's books and records to be inaccurate, false, misleading or materially incomplete in any way. Examples would include making the records appear as though payments were made to one person when, in fact, they were made to another; submitting expense accounts that did not accurately reflect the true nature of the expense; failing to accurately record payments made and the correct purpose of those payments; and the creation of any other records or documents that do not accurately reflect the true nature of a transaction.

It is very important that no employee create or participate in the creation of any records that are intended to mislead anyone, including the Company's auditors, about the true nature of a transaction or conceal anything that is improper. Employees should also obtain required approvals before proceeding with any payments, transactions or activities that are subject to certain levels of authority or other supervisory approvals. Failure to comply with this policy could result in civil and criminal liability for the employee and the Company, and subject an employee to disciplinary action, up to and including termination from the Company.

E. Political contributions

All employees must comply with the campaign finance and election laws of all countries. Company funds, assets (including phones, copiers or computers), services or facilities cannot be used on behalf of any political party or candidate.

F. Protection of company assets

No employee may use any Company property or services for any personal benefit or the personal benefit of anyone else. The Company realises that sometimes the line between personal and Company benefits is difficult to draw, and sometimes there are both personal and Company benefits in certain activities. The only prudent course of conduct for our employees is to make sure that any use of Company property is approved beforehand by the employee's line manager.

G. Intellectual property

The Company's policy on intellectual property reflects two core principles. First and foremost, employees must recognise that intellectual property rights (patents, trademarks, trade names, copyrights, etc.) comprise an important part of the core assets of the Daikin Group. Employees must take all necessary steps to protect and maintain these important assets and effectively use them. Second, employees must also respect and make every effort not to infringe on the intellectual property rights of other companies. When dealing with intellectual property matters, employees should follow the following guidelines:

- When developing new products and technology, employees must confirm they are not infringing on the intellectual property of other persons.
- Employees are prohibited from using or copying the intellectual property of other persons without explicit permission.
- Whenever we have legally obtained a license to use the intellectual property of another person, employees must observe the scope of use specified in the license agreement.

H. Environmental compliance

The Company's policy on the environment recognises the importance of exercising care in the selection, use and conservation of energy and raw materials, especially natural resources, providing for environmental safety in workplaces and communities, and reducing risks to the earth, its waters and the atmosphere. We are committed to exercising environmental consciousness in our dealings with customers, employees, community neighbours and government in meeting our obligations to future generations to sustain and improve the environment in all aspects of our business operations, including product development, manufacturing, sales, distribution and services.

Violations of environmental laws can be serious for the Company, our employees, and the communities in which we operate and live. The Company and individual employees may be liable not only for the costs of cleaning up pollution, but also for significant penalties. Violations of pollution control and waste management regulations can subject us to enormous penalties, and responsible employees can be fined or imprisoned.

With respect to environmental compliance, the following guidelines apply:

- Your activities must strictly adhere to all applicable environmental laws and regulations, to all Company policies and procedures, and to the requirements of all environmental permits.
- Intentionally bypassing any environmental control or monitoring device in violation of a permit condition or regulation is strictly prohibited.
- The entry of information known to be false on any governmental environmental form, on any monitoring report, or in response to a request for information from any governmental agency is prohibited. Tampering with or diluting of samples, or otherwise providing false information about

sampling, as well as intentional failure to follow permit conditions or applicable protocols for collecting, sampling, testing, analysing, or recording environmental data is prohibited.

- If you become aware that any employee is violating any environmental law, regulation, or permit, providing false information or data, or bypassing any environmental control or monitoring device, immediately report that information to your HSQE Manager, or otherwise in accordance with the procedures set forth in this Code.

I. Product safety and quality

For many years, the Company has built a reputation on providing products of uncompromising quality. We can continue to serve the needs of our customers only if we maintain this dedication to product safety and quality. Our products are subject to laws around the world relating to safety and performance. We will comply with these laws and may even set higher Company standards for safety, durability, maintenance or appearance.

Product safety extends from product design and manufacture to the products' use in, businesses or manufacturing operations. It involves raw material use, product design, manufacturing processes, installation safety, flammability and toxicity in application and product performance.

All products, whether manufactured by our own operations or sourced from third parties, must conform to applicable safety and quality standards. Each business unit must be aware of the standards for jurisdictions to which products will be supplied. Appropriate raw materials, manufacturing processes, quality controls and testing specifications and procedures must be utilised to verify conformance of products with applicable requirements. Whenever any problem occurs regarding the safety of our employees, customers or the general public, we must take immediate action to address the problem.

J. Employment laws; occupational health & safety laws

Company policy is to operate under sound and legal personnel policies. Our objective is to be equitable and fair in the treatment of all of our employees and in all situations. This includes at least the following:

- The selection and placement of any employee is based on that employee's qualifications, and such decisions are always made without regard to race, religion, colour, national origin, sex, age, disability, sexual orientation, citizenship status, or veteran status.
- Compensation shall be in accordance with the employee's contribution to the Company, and compensation decisions shall also be made entirely independent of the considerations listed above.
- The Company will provide a safe and healthy work environment for all employees. The Company will not tolerate any type of unlawful discrimination or harassment — including sexual harassment — in the workplace. Employees should report suspected or observed violations of this policy to your line manager, the Company's Corporate or Human Resources Departments, or otherwise in accordance with this Code. Appropriate disciplinary action will be taken should any instances of harassment or discrimination be discovered.

All employees must avoid any act that is designed to cause, or causes, unlawful employment discrimination in any aspect of a person's employment, including decisions concerning hiring, placement, transfer, demotion, promotion, recruitment, training, compensation, termination or use of employee benefits or facilities.

The Company supports the right of our employees to work in an environment that is free from sexual harassment. This may include unwelcome sexual advances, requests for sexual favours, and any other verbal or physical conduct or visible condition of a sexual nature that has the effect of unreasonably interfering with an employee's work performance or that creates an intimidating, hostile, or offensive work environment.

If you believe you have been the victim of sexual harassment or other discrimination, you should contact your line manager, your Human Resources Department or otherwise report the incident in accordance with this Code.

The Company is also committed to eliminating hazards from the workplace, providing employees a safe and healthy work environment, and complying with all applicable occupational safety and health laws and standards. Employees are required to comply with all such laws and related Company policies. Each employee has a duty to report to his or her line manager, or otherwise through the procedures outlined in this Policy, any unsafe conditions, practices, behaviours and any potential health and safety hazards.

K. Antitrust and competition laws

The Company policy is to comply fully with both the letter and spirit of all of applicable local antitrust and competition laws. While these laws are not easy to summarise, in general those of the UK require that there be no agreements or understandings with our competitors that affect prices, terms or conditions of sale, or unreasonably restrain competition. The basic idea is that all companies should compete vigorously, but they should compete individually and fairly rather than join together in agreements that restrict their individual competition. With respect to antitrust and competition laws, the following rules apply:

- **Never** agree with a competitor to:
 - fix prices or other terms or conditions of sale or purchase;
 - divide the markets by allocating either customers or territories;
 - refuse to do business with third parties; or
 - Limit or refuse the services which one provides.
- **Never** (except under circumstances approved by the Managing Director and Financial Controller of J & E Hall) exchange information with competitors relating to prices or other terms or conditions of sale.
- **Never** attend a meeting with a competitor at which the subject of price or other sensitive competitive matters are likely to be discussed. If prices are discussed at a meeting with a competitor, object to the discussion and immediately leave the meeting in a conspicuous manner.
- **Always** report suspected antitrust problems to the Company's Corporate Department.

Trade association meetings and other industry gatherings typically serve legitimate business purposes, but bring together competitors who are prone to discuss matters of mutual concern. Any discussion or action that may involve prohibited conduct must be avoided, whatever the setting. Agreements can be inferred from informal discussions or the mere exchange between competitors of information from which collusion could result. Any communication with a competitor, no matter how innocuous it may seem at the time, may later be subject to antitrust scrutiny. Employees must conduct all relations with competitors, including social activities, as if they were completely in the public view.

L. Transacting international business

The Company's policy is to observe the highest ethical standards in all of our business transactions — including those involving foreign countries. Of course, all employees are expected to observe all applicable foreign laws to which they or the Company may be subject. In addition, no employee should do anything in connection with any international transaction or take any action in any foreign country that would be illegal or improper in the United Kingdom. International business raises at least the following potential issues, and any employee involved in selling our products internationally must become familiar with these laws and observe all of their requirements.

- **Bribery Act 2010**

The UK and many other countries have enacted laws that make it a crime to bribe government officials (which includes government employees, elected officials, political candidates, political party officials and employees of public international organisations such as the World Bank and MF, as well as relatives and close associates of government officials). These laws also require the Company to be very careful in making any payments to foreign agents and consultants under circumstances in which it may appear that the payments were made to foreign officials to induce them to give the Company business or buy the Company's products. Other laws, as well as the Company's policy, prohibit commercial bribery of any other nature. Payments that the Company makes to agents or distributors should always be strictly for services rendered, and the amount stated should be reasonable given the nature of those services, with appropriate documentation required.

All employees are required to comply with the Company's policy prohibiting bribery by anyone in connection with the Company's business. More information on complying with the Company's anti-bribery policies and procedures can be obtained from the Company's Human Resources Department. A violation of this policy could result in criminal penalties for individuals, and civil and criminal liability for the Company.

- **Anti-competition Laws / Group Anti-boycotting Policies**

The Company conducts its business in accordance with anti-competition and anti-boycott policies applicable to the Daikin group of companies and its subsidiaries. These laws and policies prohibit participating in or supporting any restrictive trade practice or boycott not authorised by the Company and includes prohibitions against furnishing any information regarding the race, religion or national origin of a person; refusing to do business with a boycotted firm or country, and acting on any document that contains boycott language.

The Company must always be alert to requests for any such information. They are commonplace in such documents as letters of credit and shipping documents. Not only is furnishing the information illegal, group policies call for the Company to report the mere request for such information. Company employees should immediately report any such requests to the Company's Corporate department.

More information on the Company's policy to comply with anti-competition laws and anti-boycott policies can be obtained from the Company's Corporate Department.

- **Trade Restraints**

Most countries, including the UK, regulate the exporting of specified goods and technology. Permits and licenses are usually required in advance, depending on the purchaser, the countries involved and the nature, quantity and intended use of the item or technology to be exported. The Company policy is to comply with the export control rules and regulations of all countries in which we operate. All

export activity must be conducted in accordance with Daikin policy and with the J & E Hall Export Controls Policy, a copy of which can be found on the J & E Hall Intranet.

It is the policy of Daikin, that all companies forming part of the Daikin group are prohibited from involvement in any way with transactions involving countries with significant trade restrictions. At the release of this Code of Business Conduct, trade restrictions apply to the following destinations:

- North Korea
- Cuba
- Sudan
- Iran
- Syria

Any transactions involving these destinations should be directed to the Company's Legal Department. You should also ensure that there are no Company dealings or activities with parties, persons or individuals found on the current Daikin Concerned Customers List which is accessible via the Company Export Control File.

If your check of the list raises questions or identifies a party on the list, please immediately contact the Company's Legal Department for further guidance before proceeding with the activity or transaction.

M. Miscellaneous standards of conduct

The Company has in place, or may in the future adopt, supplemental policies and procedures relating to matters covered in the Code of Business Conduct, including those set forth in the Company's Policies and Procedures. All employees should review carefully and periodically consult such supplemental policies and procedures adopted by the Company and the divisions or subsidiaries for which the employee works. An example of such supplemental policies include, but are not limited to:

- **Limits of Authority**
All employees should observe the procedures for obtaining approval for transactions set forth in the Limits of Authority section of the Company's Policies and Procedures.
- **Travel Policy**
Travel, hotel, car rental and other services may provide benefit programs for frequent use. Sound business judgment must be exercised by each employee to avoid unnecessary cost to the Company. Abuse of the Travel Policy set forth in the Company's Policies and Procedures to accumulate personal travel benefits (frequent flier miles, hotel bonus points) is a violation of this Code.
- **Insider Trading**
It is a violation of Company policy and potentially a criminal offense to buy or sell the stock or securities of a Daikin Group company or any other company while making use of non-public inside information related to that company. It is also a violation to disclose any non-public information regarding a Daikin Group company, any customers or suppliers to any other person.
- **False Statements; Fraud**
It is a violation of Company policy and potentially a criminal offense to knowingly and willfully make or cause to be made a false statement, orally or in writing, to a governmental official. It is also improper to conceal a material fact called for in a government report, application or inquiry. These

prohibitions extend to all communications with any federal, state, local or foreign government agency.

Additionally, any scheme to defraud anyone, including customers, suppliers, or the Company itself, out of money, property, or honest services is prohibited. Transactions must be properly documented, and the creation of false or misleading documentation or the reporting of false, misleading or non-existent transactions is prohibited.

- **Advertising**

Advertising and product labelling are regulated by law. Generally, the law prohibits false, misleading or deceptive advertising and inaccurate labelling. All advertising claims about our products or services must be truthful and have a reasonable basis. All advertising and labelling claims must be substantiated in advance of their publication. No employee may create, approve or disseminate any advertising material or labels for our products or services that are false, misleading or deceptive, or that contain objective claims that cannot be substantiated. Failure to comply with these rules may result in both civil and criminal penalties.

N. Violation of the code or policies

This Code of Business Conduct provides a summary of the Company policies for conducting business in a legal and ethical manner. Our fundamental policy is that all business conducted by J & E Hall Limited companies must comply with all applicable laws and regulations and meet high ethical standards.

The purpose of this Code is to:

- Prevent unethical or unlawful behaviour;
- Discover and stop any such behaviour that may occur as soon as possible; and
- Discipline those who violate the standards contained in this Code and related policies.

In matters where this Code establishes standards that go beyond the strict requirements of the law, violations of the Code are not intended to be grounds for claims by third parties, such as governmental authorities or customers. Nonetheless, the Company intends to respond to such incidents in a manner designed to reassure customers' faith in our products and integrity.

- **Management and Employees' Roles**

"Compliance" and "ethics" are not just a concern of management. Rather they are the responsibility of every employee. We all must be active participants in furthering the policy of this Code. Whether we develop, manufacture, procure, market or sell J & E Hall group products, or deal with our customers or consumers, we all have a direct impact on our Company's good name. Managers must understand the principles of this Code, and live by them in dealings with employees. Each manager and employee must make the Code a part of our workday life. All employees are obligated to cooperate in the investigation of possible violations.

- **Questions and Reports of Possible Violations**

If you have a question concerning the Code or related policies, or if you otherwise need help with a legal or ethical question, please call or email the Corporate Department. Employees are encouraged to discuss their questions and report possible problems to their line managers first. We recognise, however, that there are certain situations where this is not the best course. In those instances, employees can contact the Human Resources Department.

- **In the Event of a Violation**

Through education and communication we hope to avoid violations of this Code. We want to avoid problems rather than dealing with their consequences. However, we will deal seriously with all violations should they occur.

Failure to comply with the Code can have severe consequences for both the Company and the people involved. In addition to damaging the Company's good name, violations of the Code may also violate the law. This can subject those involved to prosecution, fines or imprisonment.

If you know of or suspect there is a violation of the law, regulations, this Code, or the Company's related policies, you must report this information immediately in accordance with the procedures outlined in this Code.

- **Confidentiality**

Reports of potential violations will be treated confidentially to the extent reasonable and possible and to the extent allowed by the Company's legal obligations. No person reporting a suspected violation will be subjected to retaliation because of a good-faith report.

It is preferred that you identify yourself when reporting suspected violations to allow investigators to contact you if further information is needed. In every case, we will do our best to respect a request to keep your identity confidential. We do this to encourage employees to come forward. We cannot, however, guarantee confidentiality of your identity because governmental authorities may in some instances request it or your testimony may otherwise be needed in legal proceedings.

- **Reporting Your Own Mistakes**

We strongly encourage people to voluntarily report their own errors. A voluntary report demonstrates the kind of integrity and character we expect of Company employees. If you are involved in a violation, you're reporting of it, the degree of your cooperation, and whether the violation is deliberate or unintentional will be considered in any resulting disciplinary action. An unintentional error made in good faith that is voluntarily and promptly reported is unlikely to be punished, and your prompt report may help avoid more serious problems for yourself and the Company.

O. Audits and training

The Company will monitor compliance with these policies by periodic audits. The audits may be done by the Company's Corporate Department (for example, in the case of compliance with the antitrust laws and transacting international business) or by the Company's internal auditors (for example, to determine the Company's compliance with the requirement of accurate books and records). All Company employees are required to cooperate fully with these audits and to provide truthful and accurate information. The Company will take appropriate corrective measures with respect to audit findings.

The Company will also ensure that employees receive training with respect to specific Code of Business Conduct requirements, policies and procedures, as necessary.

The Company Corporate Department will be supported by the Daikin Group and the Corporate General Counsel of AAF International. The Company Corporate Manager oversees the Company's general compliance with the law and this Code of Business Conduct.

The Company's General Counsel will work in conjunction with the Company Corporate Department, business managers and employees to provide timely, pragmatic advice on compliance questions and administer

education, training and compliance auditing programs. They are also involved in the investigation of violations of the Code.

MySafeWorkplace System

MySafeWorkplace enables each employee to submit an anonymous report regarding any violation of the Company Business Code of Conduct via the internet (www.mysafeworkplace.com). This service is an enhancement, not a replacement, of our current policies and procedures. Employees can utilise MySafeWorkplace if you do not feel comfortable using other reporting procedures.

The workplace issues you may report via MySafeWorkplace include, but are not limited to: ethics violations, harassment, discrimination, fraud, unsafe work conditions, workplace violence, substance abuse, theft, embezzlement, bribery/kickbacks, accounting/auditing matters, compliance / regulations violations, and/or environmental damage.

Your confidential report will instantly and anonymously be forwarded to the appropriate individuals within our organisation. Upon submission, you will be provided with a confidential access number, as well as asked to generate a personal password, that enables you to anonymously re-enter the site at any time. You will then be able to send and receive anonymous messages pertaining to your report and, if desired, participate in any follow-up. It is very important that you record your confidential access number and personal password, as they will be used to follow up on your report.

You can call MySafeWorkplace or log in to (www.mysafeworkplace.com) to check report status at any time. Once the unique access code and password is entered, you may continue anonymous dialogue with us through the message board titled "Talk to Your Organisation."

P. Definitions and application

These policies apply to all Company operations worldwide. Company operations shall mean the Company and any other entity in which the Company owns a controlling interest. These policies shall be translated into all appropriate languages that may be necessary to fully communicate it to all Company employees. Certain designated employees will be required to submit annual written certifications of compliance with this Code of Business Conduct.

As used herein, the term "Company's Corporate Department" shall mean the Corporate Department J & E Hall Limited in Dartford, or such other person or persons specifically designated by the Corporate Department to respond to matters relating to this policy statement.

Q. Non-exclusivity

No representation is expressed or implied that the policies stated in this Business Code of Conduct are neither all the relevant policies nor that they are a comprehensive, full, or complete explanation of the laws that are applicable to the Company and its employees. All Company employees have a continuing obligation to familiarise themselves with applicable law and Company policy.

R. Relationships at work

Where personal relationships overlap with working relationships, it is important to ensure that individuals do not become involved in situations where a conflict of interest may arise or where they may become vulnerable to accusations of bias or prejudice. It is also to avoid any unfair advantage or disadvantage, real or perceived, on staff arising from such personal relationships.

Definition of a close personal relationship

For the purposes of this policy, a close personal relationship is defined as;

- A close personal friendship
- A family relationship
- A romantic/sexual relationship
- A business/commercial/financial relationship

While not all situations raise a conflict of interest, and may prove to be a benefit to the organisation, this may not always be the case. The implications of close personal relationships at work can include:

- an effect on the trust and confidence of colleagues in relation to a conflict of interest, fair treatment, or their own ability to discuss issues openly
- perception of outside agencies and individuals regarding the professionalism and fairness of the organisation
- operational issues affecting the ability to deliver our services
- conflicting loyalties and breach of confidentiality

These provisions are intended to avoid any possible accusation of bias, favouritism or prejudice. They are also intended to ensure that all staff feel confident of fair treatment without the fear that a close personal relationship will influence either their or their colleagues, treatment or broader working relationships.

Relationships between members of staff

It is not uncommon for close relationships to develop between people who work together and such relationships need not present any difficulty. Relationships between staff may cause concern where there is a potential for a conflict of interest, breaches of confidentiality or with regard to financial or audit requirements.

Such situations will be handled with care and sensitivity in the interests of all concerned and we will ensure that any approach or actions are not unfair or discriminatory by avoiding the assumption at the outset that the working relationship will be unsatisfactory.

The following guidelines have been adopted to avoid such difficulties:-

- Where a close personal relationship exists or develops between any two members of staff, this must be declared to HR or a Director who may need to review the existing reporting structure or operational requirements with regard to audit/finance requirements/take any appropriate measures
- Where a close personal relationship exists or develops between two members of staff and interferes, or is reasonably perceived to interfere with the work of that team or group, then it may be necessary to explore the possibility of one party being moved to a different area of work or location.

It is acknowledged that work related friendships are quite naturally formed in the workplace and any employee is expected to exercise judgement as to whether or not the friendship has developed to an extent that it could be described as a close personal relationship that could potentially raise any issue, which this policy seeks to address. If any employee is in any doubt, they should discuss the situation with the HR Department.

Where any issues identified cannot be managed effectively to the agreement of all parties, there should be no assumptions made on gender, status or grade as to who may be the most appropriate employee to move, where a move can be offered. Care will be taken to avoid discrimination and ensure the views of the individuals are taken into account balancing this with the needs of the business.

Recruitment and appointment of employees

To avoid any accusation of bias, an employee must not be involved in any appointment process where they are related, or have a close personal or business relationship outside work with the individual being considered for appointment.

Involvement in employment issues

Again, to avoid any accusation of bias or unfair treatment, an employee should not be involved in any decisions relating to discipline, promotional or pay adjustments for any other employee where there is a close personal relationship

Others affected by relationships

Others who feel they are affected by a close personal relationship should discuss this with the HR Department, or a Director of the Company.

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.