

# Integrity in business

The Halma Code  
of Conduct (2020)

**Halma**



# Integrity in business

This Code of Conduct (the Code) summarises our ethical commitment. It offers guidelines and policies that define how we run our business. It will help deliver consistently high standards of conduct throughout the Group, reinforcing our reputation around the world. We expect our business partners, as well as our employees, to act with similarly high ethical standards.

The Code should help our employees and business partners identify and avoid situations that might breach legislation or neglect best practice. Understanding the relevant laws around the world is not always easy but this Code, encompassing Halma's policies on anti-bribery and corruption, insider dealing, conflicts of interest, modern slavery and whistleblowing, covers the major areas. It cannot deal with every circumstance so if it does not give you enough guidance about how to deal with a particular situation, consult the Relevant Halma Executive (see Glossary on [page 7](#)).

Compliance with the Code is not only of concern to Halma, the business, but also to each employee. For example, bribery is illegal and will expose the business to prosecution, fines and loss of reputation. However, it could also expose employees personally to penalties including fines and, in extreme cases, even imprisonment.

If you are aware of any employee or operation involved in illegal acts or acting contrary to the Code, you must immediately report it to the Relevant Halma Executive. If you have any concern over how your complaint might be handled by the Relevant Halma Executive, please follow the Whistleblowing policy, further details from [page 26](#) onwards.

Compliance with the Code is required across the Group worldwide. We all share responsibility for ensuring that individually and collectively we are complying with this Code. I know that I can count on your support and will always do what I can to support you in doing the right thing.

Regards,

**Andrew Williams**  
Group Chief Executive

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# Introduction to the Halma Code of Conduct



## What is it?

The Code sets out the ethical standards that should govern the activities of Halma and its subsidiaries, its employees and its business partners.

It gives guidance on recognising when and where ethical problems exist and how to avoid them, or what to do if they cannot be avoided.

## Why do we need it?

There are three main reasons for having the Code:

### 1. To raise the profile of ethical issues.

- You need to recognise an ethical problem exists before you can deal with it.
- The Code highlights the main areas where ethical problems occur so that everyone knows what to look out for.

### 2. To ensure a consistent response to ethical issues.

- As a business operating in global markets Halma recognises that countries around the world have different local business cultures.
- Because Halma plc is a UK based publicly listed company, our operations (and their employees) are governed not only by the laws of the countries where they operate but also by certain UK laws and regulations - for example, anti-bribery and corruption applies to the worldwide activities of all UK-based or UK-controlled companies.
- This Code applies to all of our subsidiaries and employees around the world so that, whatever the local business practice, we adopt consistently high ethical standards.

### 3. To provide guidance in specific situations.

- The laws and regulations dealing with ethics and corruption around the world are varied and complex and ignorance is no defence.
- Following this Code should mean that legal (and best practice) compliance is achieved consistently.

## Who does it apply to?

It applies to all operations owned or controlled by Halma, as well as their officers and their employees.

Halma's business partners need to be made aware of the Code and should apply broadly similar ethical standards in their operations.

## Where does it apply?

Halma operates worldwide and this Code applies to all its worldwide operations.

## When does it apply?

It applies at all times. Newly-acquired companies will adopt the Code from the date they join Halma.

## What happens if someone breaches the Code?

Non-compliance is a very serious matter. It can lead to civil or criminal sanctions against Halma, its employees and business partners. It can also lead to:

- Internal disciplinary action for employees, up to and including dismissal.
- Immediate termination of any agreement with a business partner.

## Getting more information or clarification

Questions on the application of the Code which cannot be resolved locally should be addressed to the Halma Company Secretary. Phone +44 (0)1494 721111 or email: [cosec@halma.com](mailto:cosec@halma.com).

# Supporting information

## Glossary

Throughout this Code you will find certain terms used which have the following meanings:

### **Halma or Group**

Halma plc and any or all of its subsidiaries.

### **Relevant Halma Executive**

Manager, Managing Director (MD), President, Sector Chief Executive (SCE), Divisional Chief Executive (DCE), Halma Company Secretary.

Relevant Halma Executive is a collective term which refers to various line management positions within Halma. Halma employees can raise matters as referred to within the Code with their Relevant Halma Executive.

### **Associated Person**

Someone (an individual or a business) who performs services for or on behalf of Halma. This can include:

- Officers and employees.
- Parent or subsidiary companies.
- Joint ventures.
- Agents, contractors and consultants depending on their contractual terms.

### **Additional sources of information**

Each section of the Code may have a reference to additional sources of information, usually Halma policy or procedure notes, which expand on the Code. These additional notes are available from the [HalmaHub](#).

If you do not have [HalmaHub](#) access, copies of the documents can be obtained from the Relevant Halma Executive.

# Anti-bribery and corruption





# What is bribery?

## Principles

Bribery is a criminal offence, defined as:

**“The offer, promise or gift of a financial or other advantage, with the intention of inducing or rewarding the improper performance of a function or activity.”**

It does not matter if:

- The person offering the bribe is the person who will benefit from the improper performance.
- The person receiving the bribe is the person who will carry out the improper performance.

## Policy

The Group, from the Halma plc Board down, has a zero tolerance attitude towards bribery and corrupt practices in all its business dealings. Such practices are never acceptable and will not be tolerated. Therefore:

- You should never accept a bribe.
- You should never seek to influence the actions of a third party toward Halma by offering or paying a bribe.
- You should never ask or authorise an Associated Person or any other business partner to offer or pay a bribe on your behalf.

## Guidance

At its most basic level, a bribe is an improper financial payment. However, because a bribe actually involves the offer of an advantage, there are actions beyond a simple payment which might be seen as corrupt. For example:

- Making facilitation payments (see [page 10](#)).
- Giving or receiving excessive hospitality and gifts (see [page 12](#)).
- Making inappropriate charitable donations (see [page 14](#)).
- Making or providing political payments and support (see [page 15](#)).
- Making payments to intermediaries disproportionate to the service provided (see [page 17](#)).

## Key questions

You should always consider the reasons underlying any action and if you have any doubts about its legality or purpose, ask yourself these two questions:

- Would I be happy to justify my position if the details of this appeared in a national newspaper?
- Would I be happy if I found out that my main business competitor was doing this?

If the answer to either of these questions is no, then there are clearly concerns and you should seek guidance from the Relevant Halma Executive before proceeding.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate policy, procedure and explanatory notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Halma Procedure Notes E02 (Anti-bribery and corruption overview) and E03 (Detailed guidance on registers) are available on the [HalmaHub](#) or from the Relevant Halma Executive.

# Facilitation payments

## Principles

Facilitation payments are 'small unofficial payments made to secure or speed up the performance of a routine or necessary action to which the payer already has legal or other entitlement.' These are common in some parts of the world and are not always illegal under local legislation but they are bribes and should not be paid.

They are typically demanded in cash by the recipient (usually a public official) using their official position. Examples are:

- Payments to clear goods through customs.
- Payments to allow entry/exit to/from a country when all documentation is in order.
- Payments to prevent delay to an order.

The definition does not catch official fees and charges, such as document filing fees, or the cost of an enhanced service, for example express visa processing, provided the transaction is open, transparent and supported by an official receipt.

## Policy

Facilitation payments are bribes and under the Group's anti-bribery and corruption policy, they are not acceptable. Halma is committed to working, alone and with others, toward their elimination.

They should not be paid by Halma employees and we should not authorise business partners to pay them on behalf of Halma. Halma will support any employee or business partner who refuses to make a facilitation payment.

## Key questions

If you are travelling to, or doing business in, a country where there is a known problem with facilitation payments, ask yourself:

- Do I adequately know how to resist demands?

If the answer is no, you should discuss the position with the Relevant Halma Executive.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate policy, procedure and explanatory notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

The facilitation payments section of Procedure Note E03 (Anti-bribery and corruption detailed guidance and registers) available on the [HalmaHub](#).

# Facilitation payments

## Guidance

In some countries and sectors these types of payment are widespread. Simply saying that an issue is unacceptable will not make it go away; it requires firm action taken by everyone affected.

You should strongly resist any demand for a facilitation payment and Halma will fully support your actions.

Use techniques such as:

- Carrying a local language card on business trips stating the company's policy and pointing out that making such payments is against UK law.
- Taking detailed notes of conversations where payments are demanded.
- Asking for written evidence that the payment is officially required.
- Requesting an official receipt for any payment, including details of the recipient's name and identification number.
- Demanding confirmation from the supervisor/manager of the person making the demand.
- Asking to contact your company to discuss the issue and the line to be taken.
- Asking to contact the local embassy/consulate to discuss and report the issue.

If, despite using these techniques, you are still met by the demand and you feel there is a threat of physical violence, loss of liberty, or of some other adverse effect on your personal well-being, you should make the payment. You should then immediately report it to the Relevant Halma Executive, who will then report it to the Group.

Any facilitation payments made, even under duress, should be properly recorded and analysed in your company's financial records and reports.

You should also report any demands that were successfully resisted so that the incidence of these demands can be monitored and successful defence strategies identified.

# Entertainment, gifts and promotional spend

## Principles

Gifts and entertainment are useful for building and maintaining relationships between business partners. However, they may be seen as creating a conflict of interest by placing the recipient under an obligation to the giver, making them more likely to favour the giver in business decisions. This is particularly the case if spend levels are excessive or unreasonable compared to the status of the recipient or to local business customs.

## Policy

- You should never directly ask for a gift or hospitality.
- Reasonable gifts, hospitality and other promotional expenditure may be both provided or accepted so long as they:
  - Have a clear business purpose.
  - Are appropriate to the seniority of the recipient and are in line with local business customs.
  - Are not intended to influence the recipient's actions toward the giver.
  - Do not contravene local laws or the recipient's own Code of Conduct.
  - Are visible – properly authorised, recorded and accounted for.

## Guidance

There is nothing wrong or inappropriate about giving or receiving small gifts or reasonable entertainment and hospitality - the difficulties come in judging what is appropriate and what is not. Key to this are purpose, value and visibility.

## Purpose

- Any gift or hospitality should be seen as a straightforward way of building or maintaining the relationship. If there is any chance it will be perceived as a means of influencing or rewarding the recipient then it should not be offered or accepted. Therefore it is better to avoid giving or receiving gifts or hospitality at key points during negotiations.
- There should be a business purpose to hospitality. Employees from both the giver's and the recipient's organisations should be at any event, otherwise there is no scope for business discussion.
- Hospitality should normally be restricted to employees who have a direct connection to the business purpose of the activity.

## Key questions

If you have any doubts about the legality, purpose, or value of a gift or hospitality, ask yourself these four questions:

- Will it be seen as being intended to influence the recipient's business decision?
- Is it prohibited by local laws or the recipient's Code of Conduct?
- Does the value or nature mean I feel uncomfortable about accepting it?
- Does its value or nature mean that I need approval before I offer (or accept) it?

If the answer to any of these questions is yes, seek guidance from the Relevant Halma Executive before proceeding.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate policy, procedure and explanatory notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Halma Procedure Notes E02 (Anti-bribery and corruption overview) and E03 (Detailed guidance on registers) are available on the [HalmaHub](#) or from the Relevant Halma Executive.

# Entertainment, gifts and promotional spend

## Value – reasonable or excessive?

- Gifts should never be cash or cash equivalents.
- Gifts should be small tokens, ideally incorporating some form of marketing message, and should not normally exceed GBP 100 or local currency equivalent in value.
- Entertaining and hospitality should not normally exceed GBP 250 or local currency equivalent per head and the events should not normally last more than a day.
- No-one should receive frequent or multiple gifts or hospitality as a way of exceeding limits.
- Any requirement to pay or accept travel or accommodation expenses must have prior approval from the Relevant Halma Executive.

## Visibility

- Exceeding the above limits for gifts and hospitality, whether giving or receiving, needs the prior approval of the Relevant Halma Executive, who will also be required to enter the details, including the justification for the item, into a register which will be reviewed by Group staff. The Relevant Halma Executive will also be required to sign any expenses claim you make which includes such substantial spend before the claim is settled.
- You should account for the cost of all gifts and entertainment you provide using your company's standard expenses reporting and approval process. You need to make certain the spend is properly analysed and include adequate detail, explanation and justification of the claim.

# Charitable giving

## Principles

Supporting charities is a good and positive thing to do but it does not form part of Halma's corporate role. Rather than making corporate decisions about the merits of worthwhile causes, Halma would rather ensure that its stakeholders receive the best possible rewards so allowing them to individually support their personal interests. Charitable payments can pose problems if they are seen as a way of channelling funds to reward a third party by supporting their favoured cause.

## Policy

The Group has no large-scale charitable giving programme but there is no prohibition on low-level local giving by Halma companies, provided that donations:

- Are small compared to the size of the business, normally less than GBP 250 (or local equivalent).
- Are to a registered charity, or a well-recognised and independent equivalent, whose purpose benefits a wide section of the population rather than a few individuals.
- Are not made in expectation of reward.
- Do not contravene local legislation.

Halma companies are allowed to fund student scholarships as a positive way of interacting with their local community provided that the means of choosing the beneficiary is demonstrably fair and open.

There is no intention to prevent employees continuing to organise their own fund-raising activities and charitable giving programmes. These should continue to be agreed with local management.

## Guidance

It is important that there is proper visibility and approval of this type of expense, therefore:

- Charitable donations within the above levels need the Relevant Halma Executive to sign off the payment.
- Donations that do not meet these criteria must have the Relevant Halma Executive signoff and be recorded in a register which will be reviewed by Group staff.
- Donations must be properly recorded in the accounting records and correctly shown in financial reports.

## Key questions

If you have any doubts about whether a charitable donation is appropriate, ask yourself these questions:

- Am I satisfied that this is a legitimate charity?
- Is the charity independent of any business relationship?
- Is the donation allowed by local legislation?

If the answer to any of these questions is no, then you should not offer the donation without first seeking guidance from the Relevant Halma Executive.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate policy, procedure and explanatory notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Halma Procedure Notes E02 (Anti-bribery and corruption overview) and E03 (Detailed guidance on registers) are available on the [HalmaHub](#) or from the Relevant Halma Executive.

# Political payments and involvement

## Principles

Halma is a non-political organisation and so supporting local political activity, either by making donations or by other forms of involvement, is difficult to justify. Relationships with politicians and other public officials are also likely to be questioned as to their underlying purpose, especially if the person has influence in areas where the company has activities. However there is a place for proper political lobbying where the intention is to openly convey the Group's views and concerns to policy makers.

## Public Official

A person who either:

- Holds a legislative, administrative or judicial position of any kind, appointed or elected, of a country or territory.
- Exercises a public function for or on behalf of any country or territory, or for or on behalf of any public agency or public enterprise of that country.
- Is an official or agent of a public international organisation, such as the UN.

## Policy

Halma's policy is straightforward: there is a total prohibition on political payments of any kind by or on behalf of the Group.

A political payment is "a contribution, in cash or in kind, aimed at supporting a political cause." A contribution includes:

- Loans, pledges, gifts, dues and subscriptions, fees or tickets for conferences, dinners or other fund raising events.
- Payment for advertising in publications where the main purpose is fund raising rather than commercial.
- Payments to charities, lobbying firms and other organisations that channel funds to political parties or individuals.
- The provision of services at anything other than a full commercial rate and for bona fide business purposes to political parties or individuals.
- The release (paid or unpaid) of employees to undertake political campaigning work, except where this is required of the employee as a consequence of the local political system in the employee's country (such release is to be approved by the employee's SCE or the senior manager overseeing operations in that country).

## Key questions

If you have any doubts about a proposed payment or relationship, ask yourself:

- Is the recipient a political party or cause?
- Is this a relationship with a public or political figure?
- Will this payment or relationship be perceived as a way of seeking undue influence?

If the answer to any of these questions is yes, then you should seek guidance from the Relevant Halma Executive before making the payment or starting the relationship.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate policy, procedure and explanatory notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Procedure Notes E02 and E03 (guidance on political payments and involvement) are available on the [HalmaHub](#) or from the Relevant Halma Executive.

# Political payments and involvement

'Political cause' can include:

- A political party (or equivalent).
- Party-affiliated organisations.
- Party-aligned research and lobby groups.
- Individual politicians.
- Individual candidates.
- The use of lobbying organisations to represent Halma's views is permitted provided they are independent and the relationship is properly authorised by the Group CEO.
- Using politicians or public officials as consultants, or employing them after leaving office, requires careful consideration and authorisation by your SCE before any relationship is agreed.
- You are welcome to participate in your local political process as an individual citizen but you must not involve your employment or company in that participation.



# Business relationships

## Principles

Halma is involved in many business relationships, from those which are totally arms length with customers and suppliers to those where a business partner is acting on behalf of Halma, such as with agents, contractors, consultants and other intermediaries – those defined as ‘Associated Persons’ in the Glossary. Halma could become involved with corruption due to the actions of these business partners, in particular Associated Persons.

## Policy

Halma believes that the basic principles of honesty and openness that it adopts in its dealings should also be adopted by its business partners who should be aware of Halma’s position as set out in this Code.

Business partners should never be asked or authorised to do something on Halma’s behalf that is contrary to this Code.

All relationships should be governed by a contract, whether it is the straightforward Supplier/Customer relationship covered by Terms of Sale/Purchase, or a more specific contract such as an agency or distributor agreement. Contracts should refer to Halma’s Code.

## Guidance

Before entering into any relationship it makes sense to understand something about the operations involved, particularly with Associated Persons. Therefore it is important that you carry out an appropriate level of investigation or due diligence work to assess their background and identify any concerns.

When agreeing any contract, you should pay particular attention to the level of remuneration and the method of payment to ensure that these are in line with normal commercial practice and the level of skill and activity needed.

## Key questions

The following are important questions in relation to business relationships:

- Will the business partner be seen as an ‘Associated Person’, i.e. someone acting on behalf of Halma?
- Has due diligence or anything you know or may have heard highlighted any business or ethical issues with the business partner?
- Is there a formal contract in place defining the relationship?
- Does that contract refer to the Halma Code of Conduct?
- Does the contract include any unusual terms relating to compensation or payment?

If any answer gives you concern you should discuss the position with the Relevant Halma Executive.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate policy, procedure and explanatory notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Procedure Note E04 (Business relationships and due diligence) is available on the [HalmaHub](#).

# Accuracy of recording and reporting

## Principles

The financial and other records of the Group form the basis of both statutory reporting and also the periodic reports used by managers to understand business activity and plan for the future. Errors in recording transactions, for whatever reason, mean that management decisions can be based on an incorrect view of the situation with potentially serious business consequences. Deliberate falsification, often used to try to conceal a corrupt action, may also be fraudulent in its own right and could lead to civil or criminal liabilities, both for the perpetrator and for Halma itself.

## Policy

Halma will comply with all laws, regulations and rules relating to record keeping and reporting that apply in each country where it operates. It has policies, procedures and controls, supported by formal reviews and internal audit, to ensure that compliance is achieved.

## Guidance

There is never any justification for mis-recording or mis-reporting. Trying to hide wrong-doing in anything but the very short term is unlikely to be successful and, while the consequences of admitting it may be considerable, the consequences arising from disclosure of a cover-up are inevitably far worse.

Halma has in place a wide range of policies, procedures, reporting and control processes aimed at ensuring that recording and reporting is accurate and complete. These range from basic items such as standardised documentation, segregation of duties, authority and approval processes through to periodic financial reviews and Internal Audit.

In addition each MD and Finance Director is required to certify each year that they have maintained proper controls over their businesses.

## Key questions

The following are important questions in relation to accurate recording and reporting:

- Am I aware of any mis-analysis or mis-recording in my company's records?
- Am I aware of any breakdown in the approval or other control processes?

If the answer to any of these is yes, you should discuss the position with the Relevant Halma Executive.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate procedure notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Various Halma procedure notes are available on the [HalmaHub](#).

# Insider dealing and price sensitive information



## Principles

The share price of a listed company such as Halma plc is affected by a number of factors, usually associated with its financial and commercial performance. There are times when some employees may have information about that performance which has not yet been announced to the market. This is known as 'price sensitive information' – confidential information that may have an influence on the share price – and the misuse or wrongful disclosure of it is a criminal offence.

## Policy

Halma and its employees worldwide will comply with all laws and regulations regarding the control of price sensitive information and restrictions on dealing in shares on the basis of such information. Price sensitive information is extremely confidential and so anyone in possession of it must not take advantage of it by:

- Dealing in shares affected by it (insider dealing).
- Passing it on to others (improper disclosure).

## Guidance

The directors, certain senior executives and employees of Halma (together with persons connected with them) worldwide are restricted in their freedom to deal in Halma plc's securities by the requirements under the Market Abuse Regulation (MAR) and by other insider dealing and market abuse legislation.

Halma provides internal guidance to its employees on 'Inside Information and dealing restrictions'. Procedure Note A12 sets out the details of these restrictions and the approval process that must be followed by directors and senior employees before they are allowed to deal.

If you believe you know something about Halma which might be price sensitive you should keep it confidential but report it to your SCE and the Halma Company Secretary, since there may be a requirement for a market announcement.

Depending on your role, you might also come into possession of price sensitive information about Halma's business partners. If so, you should not pass that information on to anyone else and should not use it for your own personal advantage.

## Key questions

The following are important questions in relation to price sensitive information:

- Do I know something about Halma that might affect the Halma plc share price?
- Do I know something about a business partner that might affect the Halma plc share value?

If the answer to either of these is yes, you should discuss the position with the Halma Company Secretary or Group CEO before taking any related action.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate procedure notes (see additional sources of information below).
- Raise it with your SCE and the Halma Company Secretary.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Procedure Note A12 (Inside information and dealing restrictions in relation to Halma shares) is available on the [HalmaHub](#).

# Conflicts of interest



## Principles

A conflict of interest occurs when the judgement of an employee or Associated Person is affected by their external activities or relationships, which may come into direct or indirect conflict with their Halma role or the activities or interests of the Group. Conflicts of interest should be avoided where possible. If unavoidable they must be disclosed and managed.

## Policy

Halma recognises that employees have a right to take part in legitimate financial, business and other activities outside their Group role. However, to the extent that these other activities might affect their ability to carry out their Halma role, or affect (or potentially be perceived by others to affect) their judgement, objectivity or loyalty to the Group, they must be disclosed and potentially terminated.

## Guidance

Conflicts are most likely to arise in two areas – other business activities and personal relationships.

### Other business activities

- You should disclose any business activity you undertake outside the Group to your MD and SCE and obtain their formal approval if you wish to continue with it.
- You should obtain your MD's and SCE's approval before accepting any position as an officer or director of another business, even as a non-executive director.
- You must not work with, or for, a business that is a competitor, a customer of, or a supplier to, any Halma company.
- You should not have a financial interest in any Halma competitor, customer or supplier (except for normal shareholdings in publicly listed companies).
- You should not take part in any decision-making process involving any Halma company and another business that employs a close family member.

## Key questions

The following are important questions in relation to conflicts of interest:

- Do I have to choose between Halma and something/someone else when making this decision?
- Would disclosing the relationship to my work colleagues cause me embarrassment?
- Is this personal relationship influencing my business decisions?
- Am I recruiting, managing, or appraising a friend or family member?

If the answer to any of these is yes, you should discuss the position with the Relevant Halma Executive.

## If you have a concern

- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Personal relationships

- Open and friendly relationships between colleagues help create a good working environment. However, individual relationships which become too close can lead to a perception of lack of objectivity or preferential treatment, especially if there is an immediate reporting relationship, and are best avoided.
- You should avoid personal relationships that may conflict with your role or position within Halma – for example if you have a buying role within Halma it would be inappropriate for you to have a close personal relationship with someone on the sales team from a major supplier.

Conflicts should be avoided if at all possible, but if they do occur, the key things are:

- Recognise there is a conflict.
- Disclose it to the Relevant Halma Executive.
- Withdraw from any decision-making process affected by the conflict.

# Modern slavery and human trafficking





## Principles

Halma's Human Rights and Labour Conditions Policy endorses the core requirements of the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, including the conventions relating to forced labour, child labour, non-discrimination, freedom of association and right to collective bargaining. Halma does not tolerate practices which contravene these international standards.

Slavery, servitude, forced labour and human trafficking ('Modern Slavery') is a growing global concern and is illegal.

The UK Modern Slavery Act 2015 ('MSA') was introduced to combat and prevent Modern Slavery by increasing transparency and awareness by requiring large organisations to take steps to deal with Modern Slavery.

MSA requires organisations to publish a slavery and human trafficking statement on an annual basis where they have a turnover of over £36 million, carry out business in the UK and are supplying goods or services. In this statement Halma businesses which meet these criteria will set out the steps taken to ensure that slavery and human trafficking is not taking place in our supply chains.

## Policy

Halma supports the provisions set out in the MSA.

Halma has a culture of openness, integrity and accountability. We require our employees to act fairly in their dealings with fellow employees, customers, suppliers and business partners.

Halma plc will publish a Group Statement on its website by the end of September each year, outlining the steps that Halma and its subsidiaries, which are covered by the MSA, have taken during the year.

## Guidance

Halma Procedure Note E14 sets out the details of Halma's policy in response to MSA.

A programme of compliance training for all key staff on MSA has been implemented across all businesses.

## Key questions

The following are important questions in relation to the MSA:

- Am I concerned about where our suppliers source their products or workers?
- Have I heard or seen anything that would cause me to suspect that there may be slavery, servitude, forced labour or human trafficking occurring in the supply chain?

If the answer to any of these is yes, you should discuss the position with the Relevant Halma Executive.

## If you have a concern

- Get a better understanding of Group policy by reading the appropriate procedure notes (see additional sources of information below).
- Raise it with the Relevant Halma Executive.
- If you feel that you cannot talk to them, contact the Expolink Whistleblowing hotline (see [page 29](#)).

## Additional sources of information

Procedure Note E14 (Modern Slavery Act) is available on the [HalmaHub](#) or from the Relevant Halma Executive.

# Whistleblowing



## Principles

All Halma employees and business partners are expected to maintain the highest standards of integrity. If anyone becomes aware of an instance of serious misbehaviour at a Group company then they have a responsibility to help stop it. Serious misbehaviour includes:

- An action which is a criminal offence or breach of a legal obligation.
- An action that leads to a miscarriage of justice.
- An action which compromises the health and safety of any individual.
- An action which causes damage to the environment.
- The deliberate concealment of information about any of the above.

## Policy

Halma believes that the correct approach is to raise concerns with the management of the company where the misbehaviour is occurring so that an appropriate local investigation can be carried out.

However, if you have a strong reason for believing you cannot raise the matter locally, or where you believe the local response is insufficient, you should contact the company's SCE or the Halma Company Secretary directly, or make use of the Group's whistleblowing hotline.

Halma is committed to ensuring that anyone raising a concern in good faith does not suffer any victimisation or detriment. It fully endorses and will comply with any local legislation that reinforces that position. However a concern that is raised maliciously or for no good reason may lead to disciplinary action.

## Guidance

### What is the whistleblowing hotline?

This is an independent service provided by NAVEX Global, the worldwide leader in whistleblowing hotline services. Their expertise will ensure the speed and confidentiality of anything you report.

### How do I contact the hotline?

NAVEX provide local freephone numbers for most countries or have a reverse charge (collect call) number for countries where freephone numbers are not allowed. The hotline is available 24 hours a day, every day of the year.

You can also report concerns via the web at [www.halma.ethicspoint.com](http://www.halma.ethicspoint.com) or by clicking on the link on the Halma website. Contact details are shown on [page 29](#).

## Additional sources of information

Procedure Note E07 (Whistleblowing policy) is available on the [HalmaHub](#) or from the Relevant Halma Executive.

**What happens when I call?**

You will talk to one of NAVEX Global's intake specialist who will listen to your concerns and type up a report. The call will not be recorded. NAVEX will then securely send a report to Halma where an investigator will then be assigned to your report.

**Do I have to identify myself?**

Halma would rather that you did, since this makes investigating the concern and giving feedback easier. However you may choose to raise a concern anonymously, providing this is allowed by the laws of the country where you work.

**Will my call be treated confidentially?**

NAVEX Global do not record calls, and will ask if you wish to remain anonymous.

Halma plc will maintain the confidentiality of the report as far as is possible but you must be aware that, to carry out a proper investigation, some information may need to be disclosed.

**Will I be penalised for raising a concern?**

If you raise a concern in good faith you will not be penalised, even if it turns out to be incorrect. However, raising a concern without good reason or maliciously may lead to disciplinary action.

**How do I get feedback on my concern?**

If you are reporting via the hotline the NAVEX Global operator will ask if you want to receive feedback. If so, they will give you a reference number and ask you to set up a password for your report. If you are reporting via the web the reference number will appear on the submission page, where a password can be created to allow you to check for feedback.

First responses from Halma will be at least 5-6 days to allow time for an investigator to be assigned to your report.

# Contact details

Halma Company Secretary

Tel: +44 (0)1494 721111  
Email: [cosec@halma.com](mailto:cosec@halma.com)

[www.halma.com](http://www.halma.com)

Web reporting link:

[www.halma.ethicspoint.com](http://www.halma.ethicspoint.com)

<b>Country:</b>	<b>Telephone Number:</b>
Australia	1800 861 773
Austria	0800 291354
Belgium	0800 74 649
Brazil	0800 724 8366
Canada	(844) 951-1996
China	400 120 4137
Czech Republic	800 142 966
France	0 800 90 74 84
Germany	0800 1833290
India	000 800 0501 405
Italy	800-729-256
Japan	0800-222-0394
Netherlands	0800 0235036
New Zealand	0800 753 239
Singapore	800 492 2294
Spain	900 999 368
Switzerland	0800 896 814
United Arab Emirates	800 0320802
United Kingdom (including NI)	0800 048 8497
United States	(844) 951-1996

## Collect call dialling telephone lines

<b>Tunisia</b>	(503) 726-2363
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1. From an outside line contact your local operator
2. Request a reverse charge or collect call to be placed to the United States, to the number above
3. All collect calls will be accepted by the NAVEX contact centre using an automated English message.

Calls from mobile phones are not free and charges will vary depending on your provider.

Mobile reporting QR code:





## Halma Code of Conduct

I acknowledge that I have received and read a copy of the Halma Code of Conduct (2020).

I understand the importance of the Code as a way of communicating Halma's commitment to ethical business activity and agree to comply with the Code's requirements at all times.

**Name**

.....

**Company**

.....

**Position**

.....

**Signed**

.....

**Date**

.....



# Halma

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