

Our policies and procedures

Our policies and guidance documents	Description and due diligence processes
Environmental Policy and Environmental Commitment Statement	<p>Halma's Environmental Policy has been set by the Board and our Chief Financial Officer, Marc Ronchetti, has principal responsibility for coordinating and monitoring the Policy. This internal-facing policy includes our Carbon Policy, while our Environmental Commitment statement sets out our guiding principles and commitments for both internal and external audiences. Our commitments include to the continued development of equipment for measuring and monitoring environmental changes and controlling the impact of industrial activities over the long term, as well as our commitment to encouraging all Halma companies to reduce their negative environmental impact by continually improving the efficiency of their production methods and their supply chain.</p> <p>Both the Policy and the Commitment Statement will be reviewed in light of our new Sustainability Framework and Key Sustainability Objectives over the next 12 months.</p>
Code of Conduct	<p>Our culture is purpose-led and one of honesty, openness, integrity and accountability, and is embedded within our Cultural Genes. We require our employees to act fairly in their dealings with fellow employees, customers, suppliers and business partners. Our Code of Conduct applies to operations owned or controlled by Halma and their officers and employees, and each officer or employee who joins the Group is required to acknowledge that they have read the Code and understood its importance.</p> <p>We also expect our external business partners and suppliers to be aware of the Code and apply similar ethical standards in their operations. Each of our companies is responsible for monitoring the standards of their business partners and suppliers. The Code of Conduct aims to ensure that Halma maintains consistently high ethical standards globally, while recognising that our businesses operate in markets and countries with cultural differences and practices. It has been translated into nine languages, and is issued to all Halma employees.</p>
Health and Safety Policy	<p>Marc Ronchetti, Chief Financial Officer, is the Director responsible for Halma's health and safety compliance. The Group has a strong health and safety record, driven by a deeply embedded culture of safety.</p> <p>Our Health and Safety Policy requires businesses to manage their activities in a way which avoids causing unnecessary or unacceptable risks to health and safety and provides clear guidelines for our businesses on managing health and safety risks to ensure a safe work environment. It has been reinforced with support and guidance given to our businesses to reflect the particular health and safety issues arising from the COVID-19 pandemic. We collect details of our worldwide reported health and safety incidents through our central financial consolidation system and the Board monitors health and safety performance at every meeting. We thoroughly review the root cause of any accidents to ensure that we take preventative measures, including further training and education of our employees.</p> <p>In line with Halma's autonomous structure, operational responsibility for compliance with local health and safety regulations, including that of suppliers, resides with the board of each operating company. However, we routinely monitor health and safety performance across the Group and companies are encouraged to seek continuous improvement and to promote a strong health and safety culture. Our Policy requires businesses to carry out an independent health and safety review every three years to assess compliance and to ensure that there is a consistent and adequate level of reporting and investigation of health and safety incidents across the Group. In addition, our lead global insurer reviews employee and third-party safety and controls at four to five properties per year as part of their rotational assessments.</p> <p>Based on available data reported by our companies, approximately 16% of the Group's revenue is derived from companies who have been accredited with ISO 45001 or BS OHSAS 18001, a minimum standard for occupational health and safety management best practice. We continue to encourage our companies to certify to the ISO 45001 standard. In addition, during the year ended 31 March 2021 approximately 700 employees completed our Group online health and safety training programmes.</p> <p>Further information on our Health and Safety performance during the year is available in the Our people and culture section of the Annual Report.</p>
Human Rights and Labour Conditions Policy	<p>Halma's Human Rights and Labour Conditions Policy reflects the core requirements of the Universal Declaration of Human Rights and the group observes 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.</p> <p>Our Group Chief Executive, Andrew Williams, has overall responsibility for ensuring that human rights considerations are integral to the way in which existing operations and new opportunities are developed and managed. Compliance with, and respect for, these fundamental principles are integrated throughout our organisation. Managers and supervisors must provide leadership that promotes human rights as an equal priority to other business issues. All employees are responsible for ensuring that their own actions do not impair the human rights of others, and are encouraged to bring forward, in confidence, any concerns they may have about human rights.</p>
Modern Slavery Act Statement	<p>Halma is committed to conducting its business ethically and in line with all relevant legislation including human rights laws. Halma has published three Modern Slavery Act Statements since September 2016, which detail the progressive steps taken annually to tackle modern slavery and human trafficking. Since the introduction of the Act, we have worked to raise awareness of this important agenda.</p> <p>A detailed guidance note has been provided to all businesses to raise awareness of the Act and the issue of modern slavery in business and supply chains. Each business has been required to consider the potential issue of modern slavery and human trafficking within their business and supply chain. In addition, online compliance training on the Modern Slavery Act has been rolled out to senior management, all subsidiary board members and other relevant employees across the Group. Approximately 300 employees have completed this training during the year ended 31 March 2021. This is an important tool to assist our business management in raising awareness of the issues and understanding their responsibilities in their operations.</p> <p>Further information on steps taken during the year in relation to Modern Slavery can be found in our Modern Slavery Act Statement and in the Sustainability section of the Annual Report.</p>

Our policies and procedures continued

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Conflict Minerals Policy	<p>One particular area of concern for our customers and other stakeholders is whether certain metals that may originate in conflict zones are included in our products. US Securities and Exchange Commission (SEC) rules require US publicly traded companies to certify whether such conflict minerals are contained within their products. In order to assist our customers who are subject to this SEC rule, we have a Conflict Minerals Policy which gives guidance to all companies on how to determine whether any of the four minerals or their derivatives classified by the US government as 'conflict minerals' are contained in any product.</p> <p>Please see the Sustainability section of the Annual Report for discussion of Conflict Minerals within our supply chain.</p>
Whistleblowing Policy	<p>Halma has a Group-wide Whistleblowing Policy which applies to all employees and Halma operations as well as joint venture partners, suppliers, customers and distributors relating to our businesses. While we encourage an open culture where any issues can be raised and handled locally at business level, we recognise that there will be times when it is not appropriate, or a person will not be comfortable raising a concern through line management.</p> <p>NavexGlobal, an independent third-party, provides our confidential reporting service to enable any concerned parties, including employees and suppliers, to raise any concerns they may have in confidence, via telephone or web-reporting. Where permitted by law, employees may report anonymously if they wish. Halma is committed to ensuring that anyone raising a concern in good faith is not subject to any victimisation or detrimental treatment.</p> <p>Details about the confidential reporting service are available in our Code of Conduct, our internal HalmaHub and Sharepoint sites, and are prominently displayed on posters within all of our Group and operating company locations.</p> <p>All reports are treated confidentially and seen by the Company Secretary. Where appropriate, the review and investigation is undertaken or led by the Director of Risk & Internal Audit or the Talent & Culture Executive for the relevant sector. All reports are appropriately investigated and concluded. The Audit Committee receives details of any reports relating to financial misconduct and the Board receives an overview of reports relating to people and culture.</p>
Anti-Bribery and Corruption Policy	<p>Halma has a zero-tolerance policy on bribery and corruption which extends to all business dealings and transactions in which the Group is involved. This includes a prohibition on making political donations, offering or receiving inappropriate gifts or making undue payments to influence the outcome of business dealings. Every business records and reports on any gifts, hospitality or charitable donations which exceed the Group policy limits.</p> <p>Our policy and guidance in this area is well understood, routinely reviewed and compliance is checked as part of the half year and year-end control process. We also require customers and suppliers who contract on our standard business terms to comply with anti-corruption and anti-bribery laws. Suspected breaches of compliance with this Policy can be reported through the whistleblowing reporting service.</p> <p>Online Anti-bribery and corruption compliance trainings cover senior management, all subsidiary board directors and other relevant employees. Approximately 900 employees completed training during the year ended 31 March 2021.</p>
Competition Law and Competition Compliance Manual	<p>The Group has a policy on Competition Law which is communicated to all company directors and to relevant sales and procurement employees. Our companies must confirm that the relevant people in their business are familiar with the policy as part of the half year and year-end control process. Online anti-Competition compliance training covers senior management, all subsidiary board directors and other relevant employees. Approximately 350 employees completed training during the year ended 31 March 2021.</p>
Data Protection Policy and guidance	<p>Halma has a Group-wide Data Protection Policy and Guidance which requires our companies to comply with six key data protection principles, which are Lawfulness, Fairness and Transparency, Purpose Limitation, Data Minimisation, Accuracy, Storage Limitation and Integrity and Confidentiality.</p> <p>The Policy also requires our companies to only process personal data where it is necessary and consent has been obtained. The Policy requires all companies to have their own Privacy Policy in place which is tailored to their business and local law, relating to the categories of individuals whose personal data they process.</p> <p>Privacy Policies and security measures are required to be reviewed at least annually and tested where appropriate. Our companies are also required to ensure appropriate and robust clauses are included in any contracts with third parties where personal data will be disclosed.</p> <p>During the year ended 31 March 2021, approximately 5,300 relevant employees from across the Group have been enrolled on data privacy and security training.</p>
Diversity and Inclusion Policy	<p>Our Diversity and Inclusion Policy sets out our commitment to building inclusive and diverse businesses. More information about our commitment and progress on diversity, inclusion and equity can be found in the Our People section.</p>
Equal opportunities Policy	<p>We are committed to promoting equality of opportunity for all employees and job applicants. We aim to create a working environment in which all individuals are able to make best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit.</p> <p>It is a Group policy to not discriminate against staff or candidates on the basis of age, disability, gender, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, or sexual orientation.</p>