

Renishaw Group Business Code

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Purpose:

To set out the principles and standards that people are expected to uphold when conducting any business activities.

Additional authority:

Renishaw standard Terms and Conditions

Summary/Scope:

This policy covers all Renishaw employees, suppliers, distributors, agents, resellers and collaboration partners to the Renishaw Group.

Responsible party:

The CSR Committee of Renishaw plc has overall responsibility for this policy.

Policy:

Renishaw plc, its subsidiaries and Business Partners are committed to conducting business in a socially responsible manner with respect for the environment and their employees in compliance with relevant legislation.

<p>Author/ Approver</p>	<p style="text-align: right;">14/01/2020</p> <p>X <i>Pippa Neal</i></p> <hr/> <p>Ben Goodare On behalf of the of Head of CSR & Trade C... Signed by: Pippa Neal</p>	<p>Reviewer/ Approver</p>	<p style="text-align: right;">14/01/2020</p> <p>X <i>JConway</i></p> <hr/> <p>Jacqueline Conway General Legal Counsel and Company Secretary Signed by: Jacqueline Conway</p>
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INTRODUCTION

Renishaw plc and its subsidiaries (the "**Group**") are committed to conducting their business in a socially responsible manner with respect for the environment, their employees and all who deal with Renishaw.

The Renishaw plc Board of Directors has allocated responsibility to the Group Finance Director for recommending corporate social responsibility policies and processes for approval by the Board and to monitor the activities of the Renishaw Group for compliance with such policies and processes.

The Renishaw Group Business Code referenced throughout this document as "this code" sets out principles of business conduct and standards which all companies in the Renishaw Group are expected to follow.

All suppliers, distributors, agents, resellers and collaboration partners to the Group (referred collectively in this Code as "**Business Partners**") are required to comply with Sections A, B, C and D of this Code.

All Business Partners are obliged to ensure that their supply chain partners comply with principles and standards similar to those set out in this Code.

Sections A, B, C and D set out standards relating to business ethics, employee treatment, health and safety and environmental responsibility.

Section E sets out the elements of the management systems that will help to ensure compliance with this Code.

This code sets out the overarching Renishaw business principles and standards. Associated policy documents (which may be found on our company internet and intranet sites) detail specific requirements in meeting the elements of this code.

Employees affected by this Code must be supported in their understanding of and adherence to this Code with explanatory materials and training where appropriate.

Renishaw may make changes to this Code from time to time and Business Partners are expected to review this Code on a regular basis and take note of such changes.

SECTION A BUSINESS ETHICS

Renishaw and its Business Partners will behave with honesty and integrity in their business dealings, including in the following areas.

A1. Legal compliance

They will comply with all applicable laws and regulations in the territories and business areas in which they operate.

A2. Bribery and Corruption

A2.1 Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorised, given or accepted.

A2.2 The above-mentioned prohibition covers promising, offering, authorising, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.

A3. Fair competition

They will comply with the competition laws in the territories in which they do business.

A4. Protection of intellectual property

They will respect Renishaw's and third-parties intellectual property and confidential information, and not take advantage of such third-party assets which are protected by law, registration or contractual agreement.

A5. Trade controls

They will comply with applicable import and export laws and regulations and obtain authorisations for the import and export of goods, technology and information.

A6. Whistleblowing

Any Business Partner who has a concern about behaviour that is in breach of this Code will be able to raise such concerns openly and confidentially without fear of reprisal, in line with the Renishaw Whistleblowing and Serious Misconduct Policy.

A7. Tax

They will comply with all applicable tax laws and regulations in the territories in which they operate. For the avoidance of doubt, tax evasion and the facilitation of tax evasion is not tolerated, and Renishaw and its Business Partners are committed to ensuring that they meet the compliance obligations relating to the UK Corporate Criminal Offence of failure to prevent facilitation of tax evasion.

SECTION B EMPLOYMENT

Renishaw and its Business Partners will ensure that employment practices comply with the following requirements.

B1. Policy

They will abide by all employment laws and regulations of the countries in which they operate, and are committed to upholding the human rights of their employees on the basis of dignity and mutual self-respect.

B2. Freedom of association

B2.1 There will be open and direct engagement and involvement with all employees to ensure best working practice. All employees will be allowed to associate freely and join or not any legally authorised labour unions and associations and, where relevant, seek representation, join workers councils and forums as provided for, and in accordance with local laws.

B2.2 All employees will be free to openly communicate with management regarding themselves, working conditions and such matters without fear of reprisal, intimidation or harassment.

B3. Child labour

B3.1 They will not engage for work, either directly or indirectly, any person who is defined as "a child". The term "child" refers to any person under the age of 15 (or 14 where the law of the country permits) or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.

B3.2 They will use legitimate and supervised workplace apprenticeship programmes which comply with all local laws and regulations.

B4. Freedom of employment

B4.1 All work undertaken by employees will be provided on a voluntary consent basis and all employees will be free to leave employment upon reasonable notice. Renishaw and Business Partners will not employ or engage with any forced, bonded, involuntary or indentured labour.

B4.2 No employees will be required to permanently release to Renishaw or Business Partners, or any non-governmental labour agency, for the duration of their employment, their original government identification papers, such as passports or work permits.

B5. Slavery and human trafficking

B5.1 There will be a zero-tolerance approach to modern slavery and a commitment to ensuring modern slavery is not taking place anywhere in their business or in any of their supply chains.

B5.2 They will commit to ensuring there is transparency in their own business and in their approach to tackling modern slavery throughout their supply chains, consistent with their disclosure obligations under the Modern Slavery Act.

B6. Pay and benefits

- B6.1 Remuneration paid to all employees, whether employed directly or indirectly, shall comply with all applicable wage laws and regulations, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws and the contractual terms entered into by the relevant employees, all such personnel shall be compensated for approved overtime.
- B6.2 They will only make such deductions from wages as are allowed by law or by their contract with the relevant employee.
- B6.3 They will act in accordance with local laws and regulations, and maintain proper records of how both remuneration and agreed contractual benefits are calculated and paid.

B7. Working time

- B7.1 Normal working time will accord with all local laws and regulations and not exceed the maximum set by whatever method of calculation established by local law.
- B7.2 All employees shall be allowed their agreed contractual vacation which must be in accordance with local laws and regulations.
- B7.3 Working time for all employees must be set and supervised in such a way as to avoid unnecessary strain or hardship which could give cause to loss of productivity and/or an increased likelihood of injury or physical or mental ill health.

B8. Non-discrimination

- B8.1 They will ensure employees are free from any form of harassment or unlawful discrimination within the workplace.
- B8.2 They will comply with all employment age legislation.
- B8.3 They will provide reasonable opportunities for people with disabilities, as a minimum, always complying with local laws and regulations.
- B8.4 They will comply with all applicable local laws, regulations and legislation regarding maternity and paternity, including leave and alternative employment opportunities.
- B8.5 They will ensure that no employees are discriminated against on the basis of race, colour, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status.
- B8.6 They will select individuals for employment and promotion based on merit and ability.

B9. Personal data

Renishaw and Business Partners recognise that, in the course of business activities, it may be necessary to collect and store personal data about employees, Business Partners, investors, patients, health care professionals, and others, such as employment information, birth dates, addresses, financial, medical and other information. Renishaw and Business Partners must:

- B9.1 Ensure that they have adequate safeguards and procedures to ensure that all personal data held by them is retained on a confidential basis and is only communicated to third parties when required by local laws and regulations or with the consent of the individual.
- B9.2 Collect and process personal data in compliance with the laws of the jurisdictions that they operate in or are otherwise subject to, in accordance with their Data Protection Policy and other relevant company policies. Personal data should be collected only for legitimate business purposes, shared only with those who are allowed access, protected in accordance with applicable security policies and retained only for as long as is necessary. Third parties with access to personal data must be contractually obligated to protect it.
- B9.3 Recognise that all employees have a duty to protect personal data, either their own or that which is collected as part of their job, in accordance with those obligations set out in B9.2

SECTION C

HEALTH and SAFETY

Renishaw and Business Partners recognise that ensuring a healthy and safe working environment is fundamental to achieving their business objectives and to the quality of products and services that they provide. Renishaw and Business Partners will ensure that health and safety practices are adhered to in the following areas:

C1. Occupational safety and hygiene

They will adequately assess and control workplace hazards and exposure to dangerous chemicals through organised monitoring of any health and safety concerns/incidents/exposure levels, risk assessments, preventative maintenance, process/workplace design and employee training.

They will ensure that all third parties carrying out work on a Renishaw or Business Partner's site submit adequate risk assessments and method statements (RAMs), relevant to the work they are conducting, to the site's management team, prior to any work commencing.

A system of monitoring will be put in place to ensure that third parties and employees are working in accordance with any relevant risk assessments, processes or RAMs, including safe methods of working and the use of relevant personal protective equipment (PPE).

C2. Emergency preparedness

They will put in place action plans that will protect employees and the business from emergency situations such as fire and flooding. Drills will be regularly carried out to ensure preparedness in the event of emergency situations.

C3. Occupational injury and illness

They will implement systems and procedures to manage and measure performance in terms of injury and illness.

C4. Physically demanding work

They will identify where employees are involved in repetitive or physically demanding work and ensure such practices are assessed and control measures are implemented to minimise impact upon employees.

C5. Machine safeguarding

They will assess all pieces of machinery for risk of injury or accident. Guarding, interlocks and appropriate safety measures will be provided to comply with local legislative requirements as a minimum.

SECTION D ENVIRONMENTAL

Renishaw and Business Partners recognise that they must take responsibility for environmental impacts in the way they conduct their business. They must seek to minimise any adverse impact upon the environment, natural resources and the local community, including the following standards of conduct:

D1. Environmental permits and reporting

All requirements for approvals, permits and monitoring will be fulfilled and maintained in compliance with local laws.

D2. Pollution prevention and resource reduction

For both ethical and financial reasons, they will seek to minimise or eliminate waste of all types and recycle materials as practical.

D3. Hazardous substances

Chemicals and any other hazardous materials will be handled, stored, recycled and disposed of within a systematic and controlled process.

D4. Waste

D4.1 There will be a systematic approach to identify, manage, reduce, reuse and responsibly dispose of or recycle solid waste. Management of waste should be in line with the waste hierarchy and local regulations.

D4.2 All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Routine monitoring of the performance of wastewater treatment and containment systems must be implemented to ensure optimal performance and regulatory compliance.

D5. Air emissions

Air emissions of Volatile Organic Chemicals (VOCs), Ozone Depleting Chemicals (ODCs), aerosols and corrosive materials will be monitored, controlled and treated as required by local legislation prior to discharge.

D6. Product content restrictions

All applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing will be adhered to, including labelling for recycling and disposal.

D7. Energy consumption and greenhouse gas emissions

Energy consumption contributing to Scopes 1 and 2 greenhouse gas emissions are to be tracked and documented at the facility and/or at corporate level. Renishaw and its Business Partners will look for cost-effective methods to improve energy efficiency and to minimise their energy consumption and greenhouse gas emissions.

SECTION E MANAGEMENT SYSTEMS

E1. Management systems

- E1.1 Renishaw will establish and maintain a CSR management system designed to ensure compliance with applicable laws, regulations, and conformance with this Code by Renishaw employees and representatives who act on behalf of Renishaw.
- E1.2 Renishaw will endeavour to understand and comply with customer requirements in relation to CSR.

E2. Management accountability and responsibility

- E2.1 Renishaw will identify management representatives within Renishaw plc's divisional and subsidiary structure responsible for ensuring implementation of this Code.
- E2.2 Written performance objectives, targets and implementation plans will be established to improve performance.

E3. Compliance

- E3.1 Renishaw will plan, conduct and document periodic internal audits to ensure conformity to this Code.
- E3.2 Where appropriate, Renishaw's corrective and preventative action process will be used to correct deficiencies.
- E3.3 Renishaw will ensure there is a system to enable confidential feedback from employees to management to assist in compliance with this Code.
- E3.4 Monitoring and enforcement procedures will be implemented to ensure compliance with laws relevant to this code.

E4. Training and Awareness

- E4.1 Before formal training, employees shall be provided with an awareness of this code through the company employee induction.
- E4.2 Programmes will be put in place to train employees on the interpretation and implementation of the Code. Training records will be maintained and audited on a periodic basis.

E5. Communication

- E5.1 The existence of this Code will be communicated to employees and to representatives who act on behalf of Renishaw.
- E5.3 The Code will be made available on Renishaw's website for access by all stakeholders.