

# CONDUCT AND ETHICS

## 4. CONDUCT AND ETHICS

- 4.1 Renishaw's Alcohol and Drug Policy
- 4.2 Dealings in Company Shares
- 4.3 Conflict of Interests
- 4.4 Unauthorised Gambling and Lotteries
- 4.5 Borrowing of Company Equipment and/or the Purchasing of Company Material for Private Use
- 4.6 Music
- 4.7 Receiving Gifts
- 4.8 Secondary Employment
- 4.9 Response to Public Enquiries
- 4.10 Using the Telephones
- 4.11 Using Mobile Phones
- 4.12 Vandalism
- 4.13 Weapons
- 4.14 Bullying and Harassment
- 4.15 Dress Code



Renishaw has a commitment to its employees, customers and suppliers to ensure that high standards of behaviour and conduct are maintained.

The following are some guidelines that indicate the standards required.

## 4.1 Renishaw's Alcohol and Drug Policy

### Introduction

Alcohol, being legal, is a socially acceptable drug that is currently used by 90% of all people over the legal drinking age. The effects that even small amounts of alcohol can have on an individual's performance are well documented and, in an industrial environment, could prove fatal if allowed to go unchecked.

4

In certain sections of the community, the use of illegal drugs for recreational purposes is becoming more socially acceptable. The use of illegal drugs spans the full spectrum of society and is at such a level that no company in the UK can, with any certainty, say they do not have a problem. Contrary to popular belief, the majority of people who misuse drugs and alcohol are in work and not "down and outs".

Renishaw has a duty of care to all employees to provide an environment that is safe in which to work. Employees also have a duty of care to themselves and those who may be affected by their acts or omissions. With this in mind, Renishaw cannot ignore the need for a policy controlling the actions to be taken should an employee, at any level of the organisation, be suspected of alcohol or drug use, abuse or dependency.

The aim of this policy is to offer a mechanism for dealing with alcohol or drug abuse/dependency and thus provide a legally acceptable way of showing that the company has been reasonably practicable in its approach. The policy is applicable to all employees within the Renishaw Group.

In the initial stages of detection, the policy is not designed to punish the abuser/dependent. Renishaw would rather seek to assist in identifying the cause of an individual's problem and return them to being a productive, contributing individual. Neither is the policy aimed at those taking legally prescribed medication.

## Possession

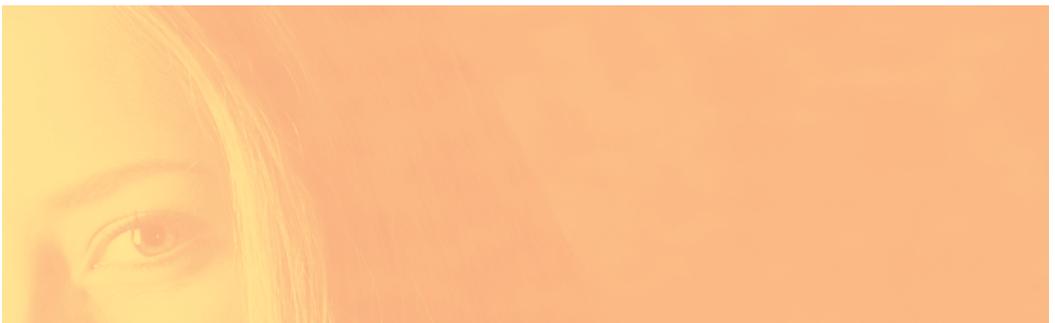
As alcohol is a legal substance, the possession of alcohol is acceptable, but its use during working hours is not. For the purpose of this policy, possession of an illegal substance is defined as person/s clearly identified as the owner/user of the substance in question, irrespective of whether they are actually in possession at the time of asking or not. In order to protect employees who might become unknowing accessories through no fault of their own (e.g. by car sharing and having someone who shares leaving an illegal substance in the car), Renishaw will endeavour to ensure that the culprit is accurately identified and dealt with.

## Alcohol

The unauthorised purchase, consumption or sale of alcohol on the company's premises during working hours is strictly forbidden.

The company, for officially organised social company functions/purposes only, may grant authorisation for the consumption and sale of alcohol (e.g. the summer party). The company may, at its sole discretion, issue alcohol as raffle prizes or gifts. Individual gifts of alcohol between employees may be given at any time without permission.

Any individual suspected of being under the influence of alcohol will be asked, at the company's sole discretion, to undertake a breath test. This will be carried out in accordance with the company's testing procedure, the format for which will be explained to the individual at every stage of the test. Due to the increased danger of operating machines whilst under the influence of alcohol, Renishaw has adopted the current legal driving limit as acceptable. The limit will also be applied to anyone driving a company car on company business.



Should an individual refuse to undergo a breath test, the company will send the individual home at the employee's expense (e.g. the company may arrange a taxi etc).

If, following a breath test, the employee is sent home, the incident will be reviewed the following working day to determine if any further action is required. This may include the arrangement of counselling, loss of pay or disciplinary action as necessary.

Counselling may be offered to individuals where appropriate and working time lost due to treatment will be treated as sickness absence. Should counselling be refused or, after a reasonable time, be viewed as ineffective, the individual will be subject to the company's disciplinary procedure, including dismissal where necessary.

## 4

### Drugs

The possession, buying, use, selling or cultivation of prohibited drugs on the premises is strictly forbidden in all circumstances. However, employees may bring to work legally approved medication for their own use, provided it does not affect their ability to carry out their duties.

For the purpose of this policy, the definition of a prohibited drug is as follows:

- Any substance classified as prohibited by law.
- Any substance on the approved medication list which is used or supplied without a qualified Medical Doctor's prescription ("over the counter" medication, e.g. aspirin is not included in this definition providing it is for the individual's own use).
- Any substance whether designed for commercial use or not, and thereafter used in such a way as to have an effect on an individual's capabilities or behaviour (e.g. solvents).

Any employee who is suspected of being under the influence of drugs will be asked to supply a urine sample for testing. This will be carried out in accordance with the company's testing procedure, the format for which will be explained to the individual at every stage of the test.

Should an individual refuse to give a urine sample then the company will start disciplinary proceedings.

Should an employee refuse to undergo a drugs test the company will send the individual home at the employee's expense and a day's pay will be deducted.

If a sample tests positive for any of the drugs on the test sheet it will be forwarded to a Home Office approved test laboratory for confirmation.

Transport will be arranged to take the individual home. At this stage no loss of pay will be incurred and the cost of transport will be funded by Renishaw. However, if the laboratory tests prove positive, the cost of transport and one day's pay will be deducted from the individual's salary.

Should the laboratory test prove positive, the individual may be offered counselling which will be treated as sickness absence where working time is lost. Should counselling be refused or, after a reasonable period, is viewed by the company as being ineffective, the individual will be subject to the company's disciplinary procedure including dismissal where necessary.

It is a legal requirement that any individual found to be in possession of, dealing in or cultivating drugs shall be reported to the Police immediately without exception. Such actions are regarded as gross misconduct and employees concerned will be liable to summary dismissal.

Any questions concerning the above policy should be referred to the Personnel Department, which, in conjunction with the Company Doctor where appropriate, will provide the necessary guidance.



## Counselling

Once an employee requests or, following consultation, is identified as needing medical help with regard to abuse or dependency, the Personnel Department will arrange for the individual to meet with the Company Doctor. Following this meeting the company will, under instruction from the Company Doctor, take any reasonable action to ensure the individual receives the appropriate counselling from a recognised source.

### 4.2 Dealings in Company Shares

As a general principle, you must not deal in shares of the company when you have unpublished price-sensitive information relating to the company which could affect the share price if known to the general public (insider dealing). To ensure this does not occur you must observe the following:

4

- No dealings in any shares of Renishaw plc may take place without first notifying the Company Secretary and obtaining approval in writing.
- No dealings in any shares of Renishaw plc may take place during the period between 31st December and the announcement of the half-year results or during the period between 30th June and the preliminary announcement of the year end results in July.

The above also applies to employees' spouses and family (children under 18) and to any trust with which you are connected, and to all employees for six months after leaving the company.

N.B. It is a criminal offence to deal in shares of a company when in possession of unpublished price-sensitive information in relation to that company.

For further information please refer the to the relevant section of the Group Internal Control Manual which can be found on the company's intranet (Insite).

### 4.3 Conflict of Interests

Employees should not be engaged in any activity that is, or could be, construed as a conflict of interest regarding their responsibilities to Renishaw. Any queries should be referred to the employee's Manager and/or the Personnel Department.

#### **4.4 Unauthorised Gambling and Lotteries**

With the exception of licenced, external competitions e.g. the National Lottery or Football Pools, gambling, lotteries and savings schemes organised and/or run by employees whilst at work is strictly forbidden. Any employee(s) found operating such schemes may be subject to the company's disciplinary procedure.

Renishaw accepts no liability for privately run schemes of any kind.

Any employees wishing to sell raffle tickets or collect money for charitable causes must obtain prior approval from the Personnel Department.

#### **4.5 Borrowing of Company Equipment and/or the Purchasing of Company Material for Private Use**

The borrowing of company equipment and/or the purchase of company material(s) for private use is not permitted without prior written from the relevant Departmental Manager.

4

#### **4.6 Music**

Radios may be played within certain departments (e.g. main assembly areas). This may be provided in the form of piped music or individual units.

Employees should not copy, store or download music files on to any company computer as this may be in breach of copyright.

Permission to listen to music via company computers or personal music systems is subject to formal approval from the relevant head of department.

#### **4.7 Receiving Gifts**

On no account must employees receive personal gifts/perks offered by suppliers or sub-contractors as it may be construed as bribery. If you are offered a gift, hospitality or use of a facility you must inform your Manager. This specifically applies to those employees who have regular contact with suppliers/contractors e.g., Purchasing. Seasonal gifts sent to employees should be forwarded to the Group Public Relations Officer, who will arrange a random draw for all employees at relevant times of the year.

## 4.8 Secondary Employment

As your main employer, and to avoid possible conflict of interest, you should not be engaged in any form of secondary employment unless you have prior approval from the company. By law you have a legal duty to inform Renishaw of any secondary employment you undertake so that the total number of hours you work can be recorded.

Directorships of companies or organisations other than Renishaw can only be held with the express permission of the Personnel Department.

## 4.9 Response to Public Enquiries

General questions about the company should be referred to the Group Public Relations Officer. Enquiries of a private nature e.g. telephone/addresses of other employees must always be referred to the Personnel Department, particularly if the information requested is of a personal or financial nature. It is company policy not to release personal information such as names, addresses and job titles, without the employee's prior permission.

## 4.10 Using the Telephones

It is important that you quickly familiarise yourselves with the system so that mistakes can be avoided. Unanswered calls can result in angry callers or even lost orders:-

- If you are going to be out of the office/department either divert your calls to another telephone (but remember to let that person know you have diverted your calls to his/her phone) or put your voicemail on. If you have diverted your calls, remember to cancel the instruction on returning.
- If someone else's phone is ringing and remains unanswered, please ensure you pick it up and take a message.

Contact numbers are available on the company's intranet (Insite). If your extension number changes don't forget to notify Reception so that they can update the telephone list.

Employees are permitted to limited access to the company's telephone system for private use. Both incoming and outgoing calls must be kept to a minimum with regards to frequency and duration. Employees should be aware that the telephone system is monitored from time to time and that abuse of the system may lead to disciplinary action.

## 4.11 Using Mobile Phones

Employees with personal mobile phones should have them **switched off** when at work. The making or receiving of private mobile phone calls during working hours is not allowed. However employees may use their mobile phones, **outside**, during their lunch break, so that it does not disturb or intrude on other employees. Employees must not use mobile phones (i.e. both personal and business mobile phones) whilst driving company cars. Should a call be received on any mobile phone whilst driving, whether on hands-free or otherwise, the driver **should not answer the call** but let it divert to voicemail. The driver should then find a suitable legal and safe location to park to return the call with the engine switched off. Should employees ignore this policy then they may be subject to the company's Disciplinary Procedure. If you would like more information please contact the Personnel Department for details of the current policy.



4

## 4.12 Vandalism

Renishaw maintains high standards and will not tolerate vandalism or attempts to vandalise property of any description. Anyone found to be involved in this type of activity on site, either to company property or to employees' property, will be subject to disciplinary action which, if deemed appropriate, may result in dismissal.

## 4.13 Weapons

It is forbidden for employees to use or bring to any Renishaw site anything that could be construed as a weapon.

## 4.14 Bullying and Harassment

What may be considered as bullying and/or harassment by one may be viewed as firm management by someone else. Currently there is no specific legislation on this subject although employees are protected by other existing legislation (e.g. Sex Discrimination Act etc).

Bullying and harassment can be characterised as any unwanted behaviour, relating to any personal characteristic, as defined in the Equal Opportunities Policy, that is deemed offensive to the recipient. This may be a one-off incident or may occur frequently and will not necessarily be face to face. It may take an indirect form e.g. by email, phone call or memo .

Examples of unacceptable behaviour(\*) include:

- Misuse of position.
- Malicious rumours, insults or threats;
- Ridiculing/victimisation;
- Unwelcome sexual advances;

(\*) this list is not exhaustive.

4



Unwanted behaviour can lead to poor performance, morale and absence. Therefore, Renishaw will not tolerate such behaviour. Allegations of bullying and/or harassment will be investigated objectively and as quickly as possible. Matters that cannot be resolved informally will be dealt with in accordance with the company's Grievance/Disciplinary Procedure at the appropriate level.

#### 4.15 Dress Code

At Renishaw there are a variety of different working environments (e.g. Production, Assembly, Office, etc) each requiring an appropriate dress code to maintain the health and safety record and image of the company. Therefore, in accordance with the relevant Health and Safety legislation, employees are required to wear the appropriate clothing/footwear/eyewear as required when working/visiting certain areas. Employees should also ensure that visitors are issued with appropriate items where necessary (e.g. overalls, safety glasses).

Whilst engaged in business, including customer visits on/off site, employees are reminded that they are representing the company and as such should dress accordingly which may require wearing a 'business' style of dress. Renishaw reserves the right to prohibit/restrict certain items of clothing/footwear/jewellery in certain areas. Restrictions will be communicated via the appropriate channels e.g. company notice boards, the company's intranet (Insite) or personally.

Notes

