

DIPLOMA PLC

Code of Conduct

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Diploma PLC Code of Conduct

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Introduction and values

This Code of Conduct defines the principles and standards that guide the way we work and do business. Our personal and collective accountability is set out in this Colleague Code of Conduct and all colleagues and businesses are expected to follow it. This Code, and the policies it refers to, are available to all our colleagues on the Purple Portal.

Although our decentralised model means that each business has its own identity and culture, we share core values that inform our actions, decisions and conduct with colleagues, customers, and other stakeholders.

Continuous improvement

We continue to improve because we are customer focused. We pursue growth by demonstrating perseverance and resilience; by taking action and being agile and responsive; and by creating, hunting out and taking advantage of the opportunities that pass others by.

Accountability

We are experts in our fields. We pursue excellence, we are performance oriented, we are detailed, and we work to deliver the highest standards of service and performance.

Respect

We show respect to our customers, our partners and each other in everything that we do. We foster a safe and inclusive culture that respects and values our differences. We listen to and collaborate with our customers, our partners, and our colleagues to deliver value responsibly.

Why is it important to follow this Code and who does it apply to?

Our Code applies to all Diploma colleagues and entities, as well as anyone working on our behalf and all colleagues are expected to uphold our Code of Conduct. In addition, our managers and leaders are expected to:

- Role model behaviour in line with our values and this Code
- Communicate those behaviours to others
- Lead ethically and ensure business practices and processes comply with this Code

Our People

Health, safety and wellbeing

Health, safety and wellbeing should never be sacrificed for the sake of cost, time, or productivity, and we actively encourage everyone to watch out and report any unhealthy or unsafe conditions or behaviours. We have a [Diploma Health and Safety Policy](#) in place to support this and all colleagues have access to an Employee Assistance Programme.

Diversity, equity, and inclusion (DEI)

Diploma is an equal opportunities employer with zero tolerance of any form of discrimination due to ethnicity, background, religion, sexual orientation, gender identity, pregnancy and maternity, citizenship, nationality, marital status, or any other protected characteristic. We comply with and strive to exceed all applicable DEI and inclusion laws, regulations and standards and apply responsible standards where legislation is inadequate or does not exist.

We believe that every colleague across the Group – regardless of their position, ethnicity, background, religion, sexual orientation, or gender identity – should be empowered to fulfil their full potential at work.

Diploma prohibits bullying, discrimination, and harassment of any kind. We take all claims seriously and colleagues are encouraged to report any incidences of discrimination, bullying or harassment at work.

More information can be found in [Diploma's Diversity, Equity, and Inclusion Policy](#).

Human rights

We are committed to ethical and responsible business practices and expect the same commitment from our business partners. We are committed to sourcing sustainably and responsibly and maintaining an ethical and transparent supply chain, free of human trafficking, slavery and forced labour.

Our position on human rights is aligned to the United Nations Universal Declaration of Human Rights and the conventions of the International Labour Organisation.

The environment

Tackling climate change is one of the most urgent and shared challenges facing humanity. It affects every country, on every continent, and is disrupting economies and costing lives. We are proactive in tackling climate change and encouraging others to do the same. We have set a emissions reduction target of 50% within our operations and are committed to working with our suppliers and partners to reach net zero across our value chain by 2050 at the latest.

More information can be found in [Diploma's Environment Policy](#).

Governance

Confidentiality and data privacy

Company information must be kept confidential, and colleagues shall not access, modify, disclose, or make use of any confidential commercial or personal information, unless authorised by Diploma, or if required by law. Areas where Diploma is obliged to maintain confidentiality include:

- Non-disclosure agreements.
- Supplier and other third-party contracts and engagement documents.
- Non-public information that could be harmful to the Group if disclosed.

As part of their employment, every colleague provides personal information which is retained by Diploma for legitimate business purposes. This may include personal contact information, employment history and other private details. Our HR department treats this information in accordance with the privacy and data protection laws that apply locally. Data is only to be used as necessary to fulfill job responsibilities.

Conflicts of interest

A conflict of interest arises when the judgement of a colleague is affected by their external activities or relationships (family, friendships, financial or social factors) which may come into direct or indirect conflict with their role at Diploma or the activities or interests of the Group.

Below are seven areas where conflicts of interest often arise:

- Personal investments.
- Outside employment, advisory roles, board positions, and starting your own business.
- Business opportunities found through work.
- Inventions.
- Friends and relatives; co-worker relationships.
- Accepting gifts, entertainment, and other business courtesies.
- Use of a Diploma business' products and services.

All colleagues should avoid situations where personal interests could conflict, or appear to conflict, with Diploma's interests. However, we understand that conflicts of interest cannot always be avoided and are not necessarily problematic if disclosed upfront. You should immediately notify your line manager about any conflicts that might be seen as affecting your judgment and ability to perform your role at Diploma. You must document any potential conflict that is reviewed and approved by your manager.

Gifts, entertainment, and hospitality

Gifts and entertainment, if excessive or given to an inappropriate party, could cause real or perceived conflicts of interests, or even alleged to be bribes or kickbacks.

Giving or receiving gifts, entertainment or hospitality is never appropriate if it:

- Influences or is perceived as capable of influencing the outcome of transactions relating to our business.
- Amounts to or causes the recipient or giver to commit a criminal offence.
- Causes offence to others or damages the reputation of the Group.

Gifts in cash or cash equivalents are strictly prohibited.

More information can be found in [Diploma PLC's Gifts & Hospitality Policy](#).

Information security and asset protection

Colleagues have a duty to safeguard company assets against theft, damage, or misuse. This includes both tangible and intangible assets, as well as our computer networks and other IT resources. Company property should only be used for legitimate business purposes and not for personal benefit.

Insider trading

There are times when certain colleagues may have access to information on company performance when it has not yet been disclosed to the market. This information is known as 'inside information' and is anything that could influence the share price and therefore a person's decision to buy, sell or hold shares in Diploma PLC. Insider trading laws prohibit buying, selling, or making other transfers of shares by anyone who has inside information. This includes colleagues, their spouses, family members or anyone else colleagues may have shared information with.

Colleagues are responsible for complying with applicable insider trading laws and protecting the Group and themselves from serious liabilities and penalties that can result from violations of these laws. All members of the Senior Leadership Team must inform Diploma before buying or selling its shares.

More information can be found in [Diploma PLC's Share Dealing Policy](#).

Government sanctions & anti-money laundering

Diploma is governed by international trade laws in the UK and similar regulations in other countries. These laws prohibit us from doing business with or supporting criminals, terrorists, prohibited parties and money launderers trying to hide illicit funds.

Colleagues should always make sure to comply with all applicable anti-money laundering and counterterrorism financing laws, and only accept funds from legitimate sources. Failure to do so will result in severe penalties or prosecution.

If you or a colleague ever has doubts about the person or entity that owns or controls a customer or supplier, the source of funds or the purpose of the transaction, they should escalate it to their line manager.

Modern slavery

Diploma fully supports the principles and provisions set out in the UK Modern Slavery Act 2015 and does not tolerate slavery in any form, including human trafficking (Modern Slavery), forced labour and child labour. All businesses must comply with the Modern Slavery Act and carry out due diligence on new and existing suppliers.

Whistleblowing

Whistleblowing helps us to uphold our standards, conduct, and protect our business and colleagues. Diploma has a comprehensive [Whistleblowing Policy](#) and the Policy and posters are displayed on colleague noticeboards at every business. Measures are in place to protect the anonymity of colleagues that whistle blow and prohibits retaliation of any sort.

Bribery and corruption

It is Diploma's policy that all its businesses, colleagues and suppliers should conduct their business in an honest and ethical manner. All businesses are expected to take responsibility for complying with all laws relevant to countering bribery and corruption – including gifts and entertainment – in all the jurisdictions in which it operates and trades. All colleagues have access to anti bribery and corruption training on the Purple Portal.

More information can be found in [Diploma PLC's Anti-Bribery and Corruption Policy](#).

Fair competition

Most countries have laws in place to promote free and fair competition, known as antitrust laws. These laws prohibit agreements with competitors to restrain trade; abuse of intellectual property rights; and use of market power to unfairly disadvantage competitors.

Under these laws certain actions are prohibited, such as: agreeing prices with competitors; agreeing with competitors to boycott a supplier or customer; sharing competitively sensitive information with other competitors or Diploma businesses; entering a business arrangement or strategy with the intention of harming a competitor; using Diploma's size to create an unfair advantage.

Diploma is committed to fair competition. If you have any questions on competition laws and how they apply to you, please contact the Group Company Secretary.

Financial integrity and responsibility

Financial integrity and responsibility are essential to corporate professionalism and should extend beyond statutory requirements. The money that is spent on behalf of Diploma belongs, ultimately, to our shareholders. It is every colleagues' responsibility to ensure that money is spent thoughtfully and appropriately, that accurate records are made, and that internal controls are in place. This applies to contracting suppliers, expenses, business contracts and any other business deals.

If you have concerns, or someone contacts you with concerns, about any aspect of our financial disclosures, or any accounting, audit, or internal control issue, you must report it immediately to your manager, the Group Company Secretary or via the whistleblowing hotline.

Social media and stakeholder engagement

Social media

Colleagues should not speak or post on behalf of Diploma or any of its subsidiaries, unless authorised to do so. When using social media in a personal capacity, remember that your conduct reflects on Diploma and should not violate the standards of this Code.

Customers and suppliers

Diploma is committed to delivering the highest standard of products and services. Your conduct with customers and suppliers must be in compliance with this Code at all times.

Media, investors, and analysts

Do not communicate about Diploma to the media, investors, or analysts without prior authorisation. If approached by the media, please inform your manager.

Government, regulators, and non-governmental organisations (NGOs)

When dealing with the government, regulators, and NGOs, you must communicate with integrity, honesty and in compliance with all relevant laws and regulations.

Communities and charities

Any contributions to or involvement with politically orientated communities and/or charities are strictly prohibited.

Reporting a breach of the Code

If you are ever unsure of how the Code applies to you or a particular situation, please speak to your manager, Managing Director or Group Company Secretary (John Morrison, john.morrison@diplomapl.com). We have a culture of honesty and accountability, so if you do make a mistake that falls short of the Code, please be open with your manager so that steps can be taken to rectify the situation.

If you ever notice that a colleague, manager, or Diploma business is falling short of our Code, please speak up about your concerns. Diploma prohibits retaliation against any colleague that reports or participates in an investigation of a possible violation of our Code, policies, or the law.

If you feel that your concerns are not being heard, are afraid of retaliation, or if you do not feel comfortable talking to your manager or Managing Director, please contact the Group Company Secretary, follow your business' grievance policy or Diploma PLC [Whistleblowing Policy](#), which is displayed on the noticeboard at every business.

Our reputation is an asset, and we must all work with professionalism and integrity to protect it. In severe cases, failure to follow our Code, policies or the law may result in disciplinary action and even termination of employment.