

**DCC**

# **BUSINESS CONDUCT GUIDELINES**

**OPENNESS**

**HONESTY**

**TRUST**

**RESPECT**

**ACCOUNTABILITY**

June 2012



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# 1

## Message from the Chief Executive

DCC is a sales, marketing, distribution and business support services group operating in five industry sectors and a number of different geographies. The freedom to manage and make decisions locally has been critical to our success. This has been possible because DCC has always had at its core a culture built on openness, honesty, trust, respect and accountability.

We take our responsibility and reputation as a good corporate citizen seriously and we place the utmost importance on the highest standards of integrity, honesty and responsible behaviour in the ways we do business, behave towards each other and those outside DCC. All of our actions and interactions with our suppliers, customers, work colleagues, shareholders and other stakeholders should reflect our commitment to the highest standards of honest and ethical conduct.

These Business Conduct Guidelines set out our commitment to the highest standards of integrity and honesty and they outline the basic legal and ethical principles and policies we apply, as well as offering practical guidance and examples to help you choose the appropriate course of action in solving ethical dilemmas.

Best regards,

**Tommy Breen**  
Chief Executive

# 2

## Explaining the Guidelines

These Guidelines reflect the ethical standards DCC applies worldwide. Given the breadth of our operations and the differing legal and regulatory environments in which DCC operates, the Guidelines cannot address every situation you may encounter. In those circumstances, you must comply with your employing company's policies and procedures and local laws and regulations as well as exercising your good judgment. These Guidelines should complement your local employment policies and practices and should not be seen as a replacement.

These Guidelines apply to all employees in every operating company in the DCC Group.

You are encouraged to be proactive and ask any questions or raise concerns about any behaviour that you feel is not in line with the Guidelines.

Good faith reporting of any breach of the Guidelines is encouraged and supported and employees will not be placed at any disadvantage in doing so.

Wilful or negligent breach of the Guidelines will result in your employing company's disciplinary procedures being exercised.

If you have any concerns or questions about anything in these Guidelines you should first raise them with your Manager, Managing Director, Human Resources Department or another senior executive within your employing company.

If for whatever reason you do not feel it is appropriate to raise it within your employing company, you can contact Gerard Whyte, DCC's Compliance Officer, at [gwhyte@dcc.ie](mailto:gwhyte@dcc.ie) or on 00 353 1 2799497. Your concerns will be dealt with in the most confidential manner possible.

# 3

## Personal Integrity

### 3.1 Conduct in the Workplace

All employees are expected to observe the highest standards of ethics, integrity and behaviour during the course of their employment. Conduct in the workplace governs the way employees behave towards colleagues, management, customers, suppliers, advisors and the general public.

All employees are expected to conduct themselves in a professional and courteous manner and observe the following standards of behaviour:

- Comply with all laws, regulations, company policies and procedures.
- Be honest and fair in dealings with colleagues, management, customers, suppliers, advisors and the general public.
- Treat colleagues, management, customers, suppliers, advisors and the general public in a non-discriminatory manner with proper regard for their rights and dignity.
- Promptly report any violations of the law, these Guidelines or company policies that come to your attention.

These questions may also help you to decide if you are unsure about the best way to proceed:

Are my intended actions legal and compliant with ethical standards?

Am I being fair and honest?

How will I feel about it afterwards, for example:

- Could I justify my intended actions to my colleagues and Manager?
- How would my intended actions look if reported on the front page of the newspaper?

# 3

## Personal Integrity - continued

### 3.2 Dignity and Respect

DCC expects all employees to treat others with respect and dignity and not to engage in any form of harassment, bullying or discrimination. You must respect the dignity and human rights of others and treat everyone fairly.

The talent, innovation and commitment of our employees have been essential ingredients in our strong growth and development. Employment and recruitment practices must be in accordance with local employment law and any local code of practice. If you are involved in employment or recruitment related decisions, you must ensure they are based on merit and business considerations alone.

DCC is an equal opportunity employer and is fully committed to a policy of treating all its employees and job applicants equally.

### 3.3 Conflicts of Interest

A conflict of interest arises when your personal interests could be interpreted as being in conflict with those of your employing company or DCC. The activities of family members or close relatives can also cause conflicts of interest.

DCC does not allow employees of any Group company to make a personal gain, or otherwise profit, by misusing their position or the Group's assets.

It is your responsibility to disclose to your Manager or your Human Resources department any situation that you believe creates or could create a conflict of interest. If you are in any doubt discuss your concerns with your Manager or Human Resources department.

You should not allow business dealings on behalf of your employing company to be influenced by personal relationships. You should avoid situations in which your personal interests, outside activities, financial interests or relationships conflict or could appear to conflict with the interests of your employing company.



The intent is not to have a policy that infringes on your personal life. However, it must be recognised that you assume certain responsibilities of loyalty and trust when accepting employment.

Below are some examples of situations which may give rise to a conflict of interest:

You represent your employing company in a business relationship in which you or your immediate family have a material personal interest.

You engage in outside employment, board membership or consultancy which may interfere with your ability to fulfil employment obligations to your employing company.

You accept a position with a customer, supplier or competitor or provide services to them as a consultant or independent contractor.

You directly or indirectly own an interest in property, leaseholds, patents or other rights in which your employing company also has an interest.

You have a financial investment in customers, suppliers or competitors which may lead to personal gain at the expense of your employing company.

To ensure no conflict of interest arises from outside employment, board membership or consultancy, prior approval must be obtained from your Manager or your Human Resources Department.

# 3

## Personal Integrity - continued

### 3.4 Fraud

Fraud is an intentional act of deceit to obtain an unjust/illegal advantage. It results in personal gain, profit or advantage to an employee or harm or loss to the company or another party now or in the future.

Engaging in fraud is a fundamental breach of the core value of honesty. DCC has zero tolerance for fraud and will cooperate with local law enforcement agencies or other investigatory bodies as required to deal with fraud.

Given our decentralised structure, the practical responsibility for preventing fraudulent losses rests with local management who must ensure that appropriate processes and controls are in place.

### 3.5 Safekeeping of Company Assets

Company assets include premises, equipment, vehicles, databases, computer hardware and software, investments, trade secrets, patents and trademarks.

Local management has the responsibility to ensure that the company's assets and resources are used only for their designated purpose and in a proper manner. Special attention should be paid to the prevention of theft, loss or deterioration of assets.

You are responsible for taking care of any company property issued to you or which you use on a regular basis. Company property should be protected at all times and stored in a safe place when not in use. Any damage to company assets or to property belonging to a customer or another employee must be reported to your Manager immediately.

### 3.6 Communications and Media

What we do and say and what our stakeholders say about us define your employing company's and DCC's business reputation. Our stakeholders are our shareholders, employees, commercial partners, consumers, government and the wider community.

As a publicly quoted company, communications with the outside world play a very important part in the reputation and financial evaluation of DCC.

You should carefully consider everything you say about DCC or your employing company, in whatever medium. This could include communicating to friends, customers or suppliers. In today's internet-based world you should be particularly mindful of information you may put on social networking sites about your employing company, DCC, colleagues or customers. All communication should be thoughtful, professional and lawful.

In order to ensure the Group is fully compliant with our regulatory obligations, no media releases, interviews or discussions of any kind regarding DCC's affairs should occur without the agreement and sign-off by the relevant DCC Divisional Managing Director. For communication in relation to any corporate activity, in particular acquisitions and disposals, approval must be obtained from Tommy Breen, DCC Chief Executive or Gerard Whyte, Company Secretary.



# 4

## Commercial Integrity

### 4.1 Confidentiality

Any information provided by your employing company to you will be regarded as confidential unless it is of a type that would be freely available to the general public.

Confidential information may include:

Company financial information.

Any document or item marked as confidential.

Any information relating to the trading position of the company including in particular names of suppliers or customers.

The communication of confidential information to any person, company or organisation is strictly prohibited, except in the proper course of your duties during your employment, and may be considered a criminal act. Use your own sound judgment and good common sense, but if at any time you are uncertain as to whether you can properly divulge information or answer questions, consult your Manager.

Be wary of casual disclosures in social settings. If in doubt, assume confidentiality.

You should never attempt to acquire or use a competitor's confidential information. Stealing confidential information or otherwise inducing disclosures by past or present employees of other companies is strictly prohibited. While your company may employ former employees of competitors, it will respect the obligations of those employees not to use or disclose information which is confidential to their former employers.



## 4.2 Bribery and Corruption

The DCC Group Anti Bribery and Corruption Policy incorporates two straightforward rules that all employees must adhere strictly to:

Do not offer, promise or pay bribes

Do not request, agree to or accept bribes

A bribe can be any type of gift, consideration or advantage offered or requested for the improper performance of a business function, for example, an award of a contract, a discount in a commercial transaction or an offer of employment.

DCC makes no distinction between bribes and facilitation payments, which are also prohibited. Facilitation payments are typically small payments paid to speed up an administrative process or secure a routine government action by an official and are most frequently encountered in foreign jurisdictions with perceived high corruption risks.

If you have any doubts as to the appropriateness of a payment, or transfer of anything of value, you should refer to your employing company's Anti Bribery and Corruption Policy or contact your company's Managing Director.

## 4.3 Money Laundering

Money laundering is the criminal practice of filtering money which has come from illegal activities through a series of transactions in order to 'clean' it and give it the appearance of being from legitimate sources.

You need to be vigilant of circumstances that may indicate improper transactions, for example, a customer who is unwilling to provide personal or business background information or a customer who wishes to pay with large amounts of cash or appears unconcerned with price or other terms and conditions of purchase.

Any unusual or doubtful transaction should be discussed with your company's Finance Director.

Governments have taken major steps to combat money laundering in recent years. It is imperative that employees dealing with cash receipts are aware of money laundering legislation governing the local markets in which the company trades.

# 4

## Commercial Integrity - continued

### 4.4 Data Protection

DCC and its Group companies hold personal data about employees, customers, suppliers, consumers and other individuals, including prospective and former employees. Personal information is any information that can be used to identify a person. Sensitive information is information about a person's health, sexual orientation, race/ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, criminal record or involvement in criminal proceedings.

You must comply with the data protection legislation in the country/countries in which your employing company operates.

Follow these guidelines when dealing with personal and sensitive information:

Ensure people providing you with their personal and sensitive information know how it will be used.

Keep personal and sensitive information accurate and for only as long as required under applicable local laws.

Ensure that personal and sensitive data is kept secure either by encrypting soft copies or storing physical copies in secure locations.

## 4.5 Insider Trading

Inside information is non-public information in relation to DCC which, if made public, would have a significant effect on the price of DCC's shares, for example information on DCC's financial performance and any potential significant developments such as acquisition plans or winning a large contract.

If you have access to such information on your employing company, which could be considered inside information to the DCC Group, your legal and regulatory duties include:

You should not use inside information to buy or sell, for your own account or that of a third party, shares in DCC plc.

You should not disclose inside information to any other person unless such disclosure is made in the normal course of your work and that person is under an obligation of confidentiality.

You should not recommend another person, on the basis of such inside information, to buy or sell shares in DCC plc.

If you are in any doubt about what constitutes inside information, discuss your concerns with your Managing Director.



# 4

## Commercial Integrity - continued

### 4.6 Competition (Anti-trust) Law

DCC abides by the laws and regulations of each country in which it operates. This means that DCC must comply with all anti-trust and competition laws which apply to our businesses. Anti-trust laws prohibit a variety of practices that restrain trade or restrict free and fair competition, such as price-fixing conspiracies and acts designed to achieve or maintain monopoly power.

You must familiarise yourself with and always follow the competition and anti-trust laws for your particular market.

Recommended actions include:

Never discuss or share information with competitors to fix prices or other terms of sale, set production levels, divide up markets, customers or territories or boycott any customer.

Never discuss with competitors details of pricing, costs, profits, margins, trading terms, marketing and distribution plans or new product launches.

Never attempt to agree resale prices, fix a minimum price or incentivise customers to follow pricing recommendations.

# 5

## Relationships with Customers and Suppliers

### 5.1 Customers and Suppliers

It is essential that DCC Group companies develop and maintain mutually beneficial commercial partnerships, based on fairness and honesty, with customers and suppliers. Product promotion and advertising should always be factual and should be presented in a way that is fair and reasonable.

In deciding among competing suppliers, you should weigh the facts impartially to determine the best supplier. DCC's policy is to select suppliers in an impartial manner on the basis of quality, suitability and price of the product or service. If you are in a position to influence decisions involving the evaluation or selection of suppliers, you must not exert or attempt to exert influence to obtain 'special treatment' for a particular supplier.

If you are involved in proposals, bid preparations or contract negotiations, you must be certain that all statements, communications and representations made are accurate and truthful.

### 5.2 Gifts and Hospitality

The giving and receiving of gifts and hospitality can sometimes be part of building business relationships and generating goodwill. The giving or receiving of reasonable and proportionate gifts and hospitality should be subject to the following rules:



# 5

## Relationships with Customers and Suppliers - continued

### 5.2 Gifts and Hospitality - continued

They are appropriate in all the circumstances and there is no risk or perception that they might improperly influence the recipient.

They do not contravene any rules applying to the individual to whom the gift or hospitality is offered (i.e. any policy that another organisation has in place) or any laws applying to that other person (whether in Ireland, the UK or elsewhere).

The gift or hospitality is not related in time to some actual or anticipated business with the recipient, particularly in a competitive context.

In the case of hospitality provided or received, it is intended to foster cordial relations or has legitimate marketing purposes and:

- The level of hospitality is appropriate with regard to the recipient and their organisation.
- There are no “add-ons” such as inappropriate overnight accommodation, travel costs, or sundry or lavish expenses.

In the case of gifts, they should never be cash, they should be modest at all times and there should be no risk of them being misconstrued as a reward, an inducement or other corrupt act.

The gift or hospitality (whether given or received) is in compliance with the limits and the approval processes set out in your company’s detailed policy.

All gifts and hospitality given or received above an appropriate level must be recorded in a Gifts and Hospitality Register.

If you are unsure about the acceptability of any gift or hospitality, please consult your Managing Director.



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