

## Competition Law Policy

### 1 INTRODUCTION

- 1.1 This policy (the “**Policy**”) sets out the approach of V.Group to competition law.
- 1.2 This Policy:
- (a) applies to all Colleagues;
  - (b) has been approved by the General Counsel of V.Group; and
  - (c) may be amended by V.Group at any time, consistent with the requirements of applicable laws and regulations. Any revisions will take effect from the date on which the amended Policy is published, as indicated by the version number.
- 1.3 Any breach of this Policy will be taken seriously and may result in disciplinary action.
- 1.4 Any questions or concerns about the operation of this Policy, including whether this Policy has been followed, should be referred to Group Legal by contacting [legal@vgrouplimited.com](mailto:legal@vgrouplimited.com)

### 2 DEFINITIONS

- 2.1 “**Colleagues**” means any employee of V.Group;
- “**Group Legal**” means the legal function of V.Group (which may be contacted via [legal@vgrouplimited.com](mailto:legal@vgrouplimited.com)); and
- “**V.Group**” means Vouvray Acquisition Ltd and its subsidiaries and/or affiliates.
- 2.2 Words denoting the singular shall include the plural and vice versa.

### 3 WHAT IS COMPETITION LAW?

- 3.1 Competition law aims to ensure businesses compete freely by prohibiting agreements or conduct that damage competition.

### 4 CONSEQUENCES OF BREACH

- 4.1 Breach of competition law can result in: fines up to 10% of group sales, inability to enforce contracts, being sued by competitors and clients, investigations and adverse publicity.
- 4.2 An individual can face up to 5 years’ imprisonment and a ban from being a director for up to 15 years if involved in a breach.

### 5 CARTELS AND OTHER AGREEMENTS

- 5.1 It is illegal to be part of a cartel which is an agreement to restrict competition. Examples of a cartel include an agreement to fix prices, limit supply, share markets or rig bids.
- 5.2 An ‘agreement’ has a very wide meaning. It does not have to be in writing – it includes ‘off the record’ chats and even disclosing confidential business information.

## 6 ABUSE OF A DOMINANT POSITION

- 6.1 It is illegal to abuse a dominant position in a market. Any assessment of whether a business is in a dominant position will require legal input. However, you must not to do anything which is prohibited as follows:

Prohibited conduct	Example
Collusion	Price-fixing
Discriminatory	No objective reason for difference in terms or price
Exclusionary	Restricting competitors' access to a market; no objective reason for refusing to supply a client
Exclusivity	Only supplying to a client if they buy from V.Group
Exploitative	Charging excessive prices; applying 'tie-in' arrangements (only selling one product if client buys another product too)

## 7 PROHIBITED USE OF NON-PUBLIC COMPETITOR INFORMATION

- 7.1 You must not:

(a) use any non-public competitor information to gain a competitive advantage in a bid or for your own personal gain. Non-public competitor information includes inside information of a competitor.

- 7.2 This is important because use of such information is breach of business conduct and if you were to secure a contract through such means, the contract may not be a 'safe' contract and could get terminated. This could damage V.Group's reputation and risk V.Group being investigated by the authorities.

- 7.3 If you receive any non-public competitor information (whether intentionally or by mistake):

- (a) you must not share or forward this information with anyone; and  
(b) you must immediately contact Group Legal.

## 8 DEALING WITH OUR COMPETITORS AND TRADE ASSOCIATIONS

- 8.1 You must only seek competitive advantage through lawful means. You must:

- (a) not engage in dialogue with competitors unless there is a legitimate business reason to do so;  
(b) not use any non-public information of competitors for any gain, e.g. to gain a competitive advantage in a bid;

- (c) not discuss, give or receive from competitors or trade associations (or anyone who is not a client or potential client) information which could lead to coordination of activities between competitors, e.g. prices, discounts, volumes, capacity, rebates, identity of clients or suppliers, business plans, allocation of customers/countries/bids;
- (d) not supply a 'cover bid' (agreeing with a competitor to bid at a higher price so the competitor is more likely to win the contract);
- (e) not agree with a competitor to refuse to deal with a particular client or supplier;
- (f) end any discussions if a competitor or trade association suggests coordinated price moves or other prohibited conduct under this Policy; and
- (g) ensure written minutes are taken of all discussions and presentations with competitors and trade associations.

**8.2** Competition law affects V.Group's competitors too so be aware that V.Group are not victims of anti-competitive conduct.

**8.3** If you anticipate contact with competitors and/or trade associations which may raise competition law issues, contact Group Legal.

## **9 DEALINGS WITH CUSTOMERS**

**9.1** If anticipating entering into an exclusivity agreement with a customer, consult Group Legal.

## **10 DEALINGS WITH SUPPLIERS**

**10.1** You must not:

- (a) agree with suppliers what prices you charge to customers;
- (b) threaten to move away business from a supplier because they refuse to put pressure on a competitor that is selling at a lower price than you – if the supplier agrees to it, this amounts to price fixing;
- (c) make agreements with a competitor indirectly via a supplier; or
- (d) agree with a supplier to fix trading terms with other suppliers to V.Group.

**10.2** You are allowed to:

- (a) buy products from competitors or supply to competitors;
- (b) in certain circumstances agree with a supplier they will not supply certain products to competitors – this must be approved by Group Legal.

## **11 GATHERING MARKET INTELLIGENCE**

**11.1** When gathering information on markets and/or competitors, the use of publicly available sources such as the internet is recommended. If using third parties such as

distributors, consultants, agents or contractors to gather intelligence, do not use them to obtain prohibited information from your competitors – this could lead to an understanding with competitors to exchange prohibited information.

- 11.2** If you legitimately obtain information, e.g. relating to a competitor's pricing, make a note of the source of that information if not apparent from the face of the document.

## **12 CREATING DOCUMENTS**

- 12.1** Be aware that if there is an investigation, any documents or correspondence contained on your computer or any mobile devices can be taken and examined so it is important that you are careful about what you put in writing.

- 12.2** You should:

- (a) indicate clearly the source of any sensitive information, such as market shares, prices, capabilities of competitors, e.g. if a client has asked you to match competitors' prices or terms; and
- (b) justify decisions in relation to objective economic rationale.

- 12.3** You must:

- (a) avoid putting these issues in writing (except as stated in Paragraph 12.2);
- (b) not suggest that pricing decisions are made with other parties;
- (c) not use aggressive, unambiguous or controversial words or phrases; and
- (d) retain any evidence of the incident if any competition law issues arise and notify Group Legal as stated in Paragraph 13.

## **13 INTERNAL REPORTING**

- 13.1** You must immediately contact Group Legal if any of the following occur:

- (a) if any competition law issues arise;
- (b) if any terms are being discussed that impose restrictions on doing business with third parties or relate to particular prices;
- (c) if it is suspected that a customer, competitor or a supplier is acting in an anti-competitive manner or trying to involve you in an anti-competitive activity;
- (d) if it is suspected that a Colleague is acting in an anti-competitive manner; or
- (e) if there is any actual or suspected breach of this Policy.

## **14 DOCUMENT CONTROL**

- 14.1** The General Counsel of V.Group is the owner of this Policy and is responsible for ensuring that it is reviewed in line with the relevant review requirements.

**14.2** A current version of this Policy is available at <https://vgrouplimited.com/legal/compliance/>

**14.3** This Policy was approved as stated in this Paragraph and is issued on a version-controlled basis.

<b>Version</b>	<b>Date of Issue</b>	<b>Approved by</b>	<b>Position</b>
1	29.03.2019	Deborah Grimason	General Counsel & Company Secretary