

The GoodCorporation Antitrust Framework

The GoodCorporation Antitrust Framework is a set of responsible business principles to help manage competition issues. The framework helps companies to ensure that they have the right ethical culture and supporting practices to minimise any competition risks.

The Framework can be used both for internal self-assessment or to obtain independent external assurance.

The Framework follows the methodology employed by the GoodCorporation Business Ethics Standard which has been in use since 2001.

GoodCorporation uses an independent assessment process that looks at four levels of evidence for each individual practice and assesses them against a four-point scale.

The assessor checks:

that a policy exists

policy documents are reviewed

that a system is in place to implement the policy

systems are examined

that records exist that show that the system works in practice

a sample of records is reviewed

that stakeholders agree that the system works

interviews with relevant stakeholders such as employees, customers, suppliers, shareholders and regulators

The assessor awards a grade:

commendation

the policy and system are examples of best practice

merit

the policy and system work well

observation

there is a policy and system that works but potential improvements have been identified

minor non-compliance

there is a policy and system but it is not always working

non-compliance

there is no policy or system, or it has largely broken down

Using the Framework, GoodCorporation offers both high-level reviews of head office policies as well as site-level and business unit specific evaluations of antitrust culture and controls.

For every assessment a report is provided, giving an independent analysis and grade for each practice, along with recommendations for improvement. The assessment report can be used by the organisation for management purposes or can be made public as appropriate.

The Framework assesses the robustness of the organisation's antitrust culture and controls and is not intended to serve as legal advice or as a tool for investigating specific incidents or allegations of antitrust breaches.

1. Leadership and Responsibility

Senior management will lead by example through adopting and actively promoting fair competition policies and ensuring there is an effective compliance programme.

- L1: There are written and clearly articulated antitrust policies and procedures.
- L2: The antitrust policy has been formally approved by the board and made public.
- L3: There is high level and clear ownership of antitrust controls.
- L4: Antitrust issues and related policies are regularly considered by the senior management.
- L5: There is a compliance or similar function with a clear remit and adequate resources to support compliance with antitrust policies.
- L6: The compliance or similar function has a reporting line to the board.
- L7: The compliance function communicates any current cases to the board.
- L8: Senior management ensures that the organisation abides by applicable national and international antitrust laws and regulations.

2. Risk Assessment

The organisation ensures that antitrust risks are actively assessed.

- R1: There is a risk assessment that evaluates the risk of the company engaging in anti-competitive practices in markets, countries and sectors where the company is operating or considering operating.
- R2: An analysis has taken place to identify whether the company has a dominant position in any market
- R3: There is an assessment of the risks of whether any mergers, acquisitions, joint ventures or other significant transactions would restrict fair competition.
- R4: The company undertakes antitrust risk evaluation when considering doing business with new customers, agents, intermediaries, wholesalers and distributors.

3. Commercial Practices

The company does not form cartels, fix prices, rig bids, mislead, limit production, agree to share customers or markets, abuse dominant positions or take any other actions to restrict fair competition.

- C1: Access to pricing and other commercial information is strictly controlled.
- C2: There are strict rules on communication with competitors to ensure that no pricing or commercial information is shared.
- C3: There is a process to ensure that any dominant market position is not abused such as through selling below cost or refusing to supply.
- C4: There are no market or pricing restrictions imposed on wholesalers, distributors, retailers or other re-sellers.
- C5: All sales and marketing agents, distributors and other intermediaries have clear terms and

conditions and instructions relating to the respect of antitrust principles.

- C6: Any form of restrictive agreement or understanding with competitors, such as in relation to bidding for business or restricting production, is clearly prohibited.
- C7: Any form of agreement with customers or suppliers does not restrict fair competition.
- C8: The company ensures that all comparative advertising and marketing is honest and fair.
- C9: No lobbying is undertaken that restricts competition.

4. Training and Communication

The company ensures that its employees and other relevant stakeholders are trained on antitrust principles.

- T1: There is clear and regular training on antitrust principles and practice.
- T2: Sales and marketing intermediaries such as wholesalers, distributors, agents, bid partners and other re-sellers are instructed on the company's antitrust policies and principles.
- T3: Antitrust guidance and advice is available to directors, managers, employees, wholesalers, distributors, agents and other re-sellers.
- T5: Performance appraisals or equivalent for relevant employees take account of the observance of antitrust principles.
- T6: There are strict rules and processes for employees to ensure that confidential information is protected.

5. Monitoring and Compliance

Each member will be expected as a part of this initiative to have in place effective internal monitoring processes to support the antitrust policies

- M1: Relevant staff are required to declare compliance with the company's antitrust policies.
- M2: Wholesalers, distributors, agents, bid partners and other re-sellers are required to declare compliance with the company's antitrust policies.
- M3: The antitrust controls reflect the risks identified and are monitored and regularly reviewed to ensure that they are up-to-date and suitable.
- M4: Disciplinary processes are used to support the observance of the organisation's antitrust policies and procedures.
- M5: There is a confidential process for stakeholders to report issues of concern to senior management. All such issues are properly recorded and investigated, with appropriate steps taken to prevent reoccurrence.
- M6: Where there have been cases of actual or suspected breaches of antitrust legislation there are processes to deal with them and report to the relevant authorities when necessary.
- M7: The company works proactively and constructively to satisfy the requirements of antitrust regulatory bodies.