

COMPETITION LAW POLICY AND GUIDELINES

Revision No:	2
Date:	8 March 2023

CONTENTS

DOCUMENT CHANGE CONTROL	3
1. POLICY STATEMENT	4
2. INTRODUCTION	4
3. WHAT IS BRIBERY?	5
4. YOUR OBLIGATIONS	5
5. DISCUSSIONS WITH COMPETITORS	5
6. DISCUSSIONS WITH CUSTOMERS	6
7. CONDUCT RELATING TO A DOMINANT MARKET SHARE	6
8. PROCEDURE FOR RAISING CONCERNS UNDER THIS POLICY	7
9. CONTACTS	8

Document Change Control

All changes are to be agreed and authorised by the CEO.

Document Change Record

Revision No.	Date
1	04/10/2021
2	08/03/2023

Document Sign-off

	Signed	Date
CEO		31 March 2023

All changes are logged in the Policies Document Control Register.

1. POLICY STATEMENT

- 1.1 Brockwell Energy Limited and all of its subsidiaries ("the Company") takes its legal obligations seriously. We do not tolerate any anti-competitive behaviour, or behaviour which could lead to anti-competitive activity, or any legal, ethical, or moral breach of competition law. Full adherence to this policy is of utmost importance since failure to do so can lead to fines or criminal charges against you and / or the company. Should you have any questions or require clarification regarding our Competition Law Compliance policy, please speak to Iain Cockburn.
- 1.2 This policy does not form part of any employee's contract of employment and it may be amended at any time.

2. INTRODUCTION

- 2.1 Brockwell Energy Group Limited requires compliance with all applicable laws, including competition law. This policy extends to all business dealings and transactions in all countries that we operate in.
- 2.2 All staff, including directors, employees, temporary personnel, contract personnel, consultants, intermediaries, agents and third parties acting on behalf of Brockwell Energy Group Limited are required to comply with this policy.
- 2.3 Consequences for infringements of this policy can include:
- Significant fines
 - Criminal prosecution resulting in fines or imprisonment
 - Legal actions for compensation
 - Contracts being declared void or unenforceable
 - The company being prohibited from participation in public tenders
 - Expensive and lengthy investigations
 - Disqualification of directors
 - Dismissal of employees
 - Reputational damage
- 2.4 It is the responsibility of each employee to ensure they are compliant and understand this policy and have received adequate training. In case of internal promotions or job changes, it is also the responsibility of the employee to ensure they have adequate training.
- 2.5 Each employee whose job role means they could engage in anti-competitive behaviour shall undergo training on competition law compliance. It is their responsibility to ensure they are trained and understand the obligations placed upon them.
- 2.6 Any Brockwell Energy Group Limited employee who suspects a violation of this policy must speak up and raise the issue to their immediate manager, or via the contact details set out at the end of this policy.

3. WHAT IS BRIBERY?

- 3.1 A bribe is inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

4. YOUR OBLIGATIONS

- 4.1 It is your responsibility to:

- a) Conduct all business dealings on behalf of Brockwell Energy Group Limited in accordance with this policy and all applicable laws
- b) Comply with competition law at all times
- c) Report any activity, transaction or dealing which you suspect may infringe upon competition law to Iain Cockburn
- d) Report all contact with competitors where there was any discussion of contracts, competitors, suppliers, sub-contractors or other relevant external bodies to Iain Cockburn
- e) Take full minutes, or ensure a full minute is taken, of any trade association meetings that you attend

5. DISCUSSIONS WITH COMPETITORS

- 5.1 You must:

- Seek advice from the CFO (Iain Cockburn) before accepting any social invitations from competitors or joining trade associations.
- Remember all arrangements, including informal understandings will be illegal if they infringe on competition law, and may give rise to heavy fines on the participating business and risk criminal prosecutions.
- Avoid all discussion of competition or competitive subjects with personnel from a competitor and make an obvious and clear action of breaking off such discussions should they arise.
- Leave any meeting where anti-competitive discussions are taking place and ensure that your actions are minuted.

- 5.2 You must not:

- Discuss, recommend, or agree with competitors on any of the following matters:
 - Costs
 - Prices, including proposed changes or the methods of calculating prices
 - Proposed product launches or withdrawals
 - Plans to refuse to deal with specific customers or suppliers
 - The division or allocation of territories of customers
 - Marketing plans
 - Profitability and profit margins
 - Any other terms and conditions on the sale of products

- Remain at any meetings with competitors where competitive conditions are discussed, or where you believe the discussions or actions could risk breaching competition law

6. DISCUSSIONS WITH CUSTOMERS

6.1 You must not:

- Try to control the territories in which your distributors may sell into
- Try to restrict distributors from buying, selling, or reselling competing products
- Try to control the pricing of any reseller customers or distributors
 - This does not apply if you are setting maximum resale prices or recommending resale prices
- Discuss the details of business terms with any customer in the presence of other customers or competitors
- Discuss with one customer Brockwell Energy Group Limited's dealings with other customers or make any commitments to one customer as to Brockwell Energy Group Limited's treatment of other customers
- Oblige or otherwise coerce customers to tell you if lower prices have been quoted unless through an approved price matching protocol

6.2 You may, however, accept information voluntarily given by customers as to the actions of competitors, including prices, terms, and any special promotions being offered.

7. CONDUCT RELATING TO A DOMINANT MARKET SHARE

7.1 Brockwell Energy Group Limited may be found to be in a dominant market position if we possess market power, and can, to an appreciable extent, behave independently of competitors, customers, and consumers. These conditions can occur where our business has a 40% or greater share of a particular market, including of supplies, or the purchase of goods or services on a particular market.

7.2 The following rules apply to conduct where Brockwell Energy Group Limited has a dominant market share.

7.3 You must:

- Recognise the risks of anti-competitive behaviour which can arise from such situations
- Recognise that certain practices which are generally legal may become illegal where the company has a dominant market share
- Act cautiously when charging different customers different prices unless this is justifiable, for instance on the basis of supply costs or price negotiations
- Act cautiously about pricing products in such a way that would incentivise a customer to source all their requirements from the company. Volume discounts by a dominant business should reflect genuine customer cost savings which result from supplying a product in a larger volume
- Act cautiously before linking the sale of one product to other products or services

- Ensure price cuts targeted to compete with a competitors' services are not loss making
- Avoid all reference to "dominant", "dominance", "market power"

7.4 You must not:

- Introduce price cuts to eliminate rivals
- Adopt a business practice aimed at weakening or eliminating an existing competitor or to prevent a would-be competitor's entry into the market
- Use language which may create the suspicion of abusing market power or nefarious intentions, such as:
 - "let's kick them out the market"
 - "raising barriers for entry and make sure no new competitors can come in"
 - "we can never let them be successful"
 - "this will need a stay-out pricing policy"
 - "we must attack the competitor"

8. PROCEDURE FOR RAISING CONCERNS UNDER THIS POLICY

- 8.1 If you are concerned about any form of malpractice covered by this policy, you should normally first raise the issue with your immediate supervisor. If, for whatever reason, you feel you cannot tell your immediate supervisor, you should raise the issue with Iain Cockburn.
- 8.2 Concerns can be raised orally or in writing. When raising the concern, you may choose to either include your identity or remain anonymous. You may wish to discuss your concern with a colleague before you formally raise it under this policy. However, remember that once you have raised your concern (alone or with your colleague), in the interests of everyone involved, this is a confidential process.
- 8.3 The Company hope that in many cases you will be able to raise general concerns with your line manager. You may tell them in person or put the matter in writing if you prefer. They may be able to agree a way of resolving your concern quickly and effectively. In some cases, they may refer the matter to the Whistleblowing Officer.
- 8.4 Where you believe that the matter is serious and falls within the scope of this policy, or you feel that your line manager has not addressed your concern, or you prefer not to raise it with them for any reason, you should contact one of the following via the contact details set out at the end of this policy:
- (a) the Whistleblowing Officer; or
 - (b) Brockwell Energy's confidential external hotline, operated by SeeHearSpeakUp.

9. CONTACTS

Whistleblowing Officer – Internal – Iain Cockburn, CFO

Telephone:	0131 297 5001
Email:	iain.cockburn@brockwellenergy.co.uk

Whistleblowing Service – External – SeeHearSpeakUp

Hotline	0800 988 6818
Email	report@seehearspeakup.co.uk
Web Reporting	https://www.seehearspeakup.co.uk/en/file-a-report
Username	Brockwell
Password	Energy793